

JPRS 80610

20 April 1982

USSR Report

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 1, January 1982

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

20 April 1982

USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 1, January 1982

Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

| | |
|---|----|
| 1982: A Year of Alarms and Hopes..... | 1 |
| Washington and the New International Economic Order (A. V. Nikiforov)..... | 7 |
| President F. D. Roosevelt: Political Realism and Action* (N. V. Sivachev)..... | 21 |
| United States-Israel: Special Relations (S. M. Rogov)..... | 22 |
| United States Military Build-Up in the Indian Ocean (V. P. Kozin)..... | 36 |
| American Destiny as Seen by Novelists of the 1970's* (A. S. Mulyarchik)..... | 49 |
| A. A. Troyanovskiy, the First Soviet Ambassador to the United States of America* (Ye. I. Krutitskaya, L. S. Mitrofanova)..... | 49 |
| Western Europe Opposes U.S. Plans To Deploy New Missiles (S. A. Ulin)..... | 50 |
| 'Jubilee' Congress of AFL-CIO* (M. I. Lapitskiy)..... | 54 |
| Legislation for Foreign Investment in Canada* (V. I. Alekhin)..... | 54 |

* Not translated by JPRS.

CONTENTS (Continued)

| | |
|---|----|
| Friendly Fascism: The New Face of Power in America* | |
| (Bertram Gross)..... | 54 |
| Ecological Analysis and Its Impact on the Economy* | |
| (N. P. Yevdokimova, V. I. Sokolov)..... | 54 |
| Book Reviews | |
| Military Spending and Employment,* by V. B. Benevolenskiy and | |
| A. I. Deykin..... | 55 |
| Erosion of Middle-Class American Dream,* by V. S. Vasil'yev | |
| and A. A. Kokoshin..... | 55 |
| Factors Affecting Foreign Policy Decisions,* by N. M. Travkina..... | 55 |
| American Capitalism and Technology Transfers, by A. B. Parkanskiy.. | 56 |
| Ecology and the Capitalist City, by V. I. Sokolov..... | 57 |
| Arthur A. Harman--New U.S. Ambassador to the Soviet Union*..... | 58 |
| Chronicle of Soviet-American Relations (September-November 1981)..... | 59 |

* Not translated by JPRS.

PUBLICATION DATA

English title : USA: ECONOMICS, POLITICS, IDEOLOGY
No 1, January 1982

Russian title : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

Author (s) :

Editor (s) : N. D. Turkatenko

Publishing House : Izdatel'stvo Nauka

Place of Publication : Moscow

Date of Publication : January 1982

Signed to press : 30 December 1981

Copies : 33,640

COPYRIGHT : Izdatel'stvo "Nauka", "SShA--ekonomika,
politika, ideologiya", 1982

1982: A YEAR OF ALARMS AND HOPES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 3-7

[Text] The dangerous heat of arms race escalation must be moderated. The pitch of tension must be lowered, dangerous sparks of crisis must be extinguished, the senseless arms race must be ended and there must be a return to normal relations between states, mutual respect, understanding and consideration for one another's legitimate interests. A serious and businesslike approach must be taken to the problems of arms limitation and reduction. All of this can and will eliminate the danger of nuclear war. (from L. I. Brezhnev's responses to NBC television, reprinted in PRAVDA, 22 December 1981)

There has been no period of history, and probably never will be, that has been completely placid for individual countries and all mankind as a whole, there has been no period of history that has not been full of troubles, or even tragic wars which have taken the lives of millions of people. The period of cold war lit the spark of "local" conflicts, which ceased to be local long ago because they generally came to involve countries located far away from the "hot spots." Imperialism brought the world to the verge of thermonuclear catastrophe several times by starting and escalating these conflicts. In V. I. Lenin's words, there has been a continuous game of chance, a game in which the blood of millions is shed for the sake of conquering and plundering foreign lands.

In the United States this game was defined accurately by W. Fulbright, a veteran of American politics, who called it a symptom of the "arrogance of power."

The failure of the aggression against the people of Indochina seemed to prove the futility of this policy once and for all. A new era began. The process of detente quickly gathered momentum. The principle of peaceful coexistence by states with differing social systems, a principle defended by the Soviet Union from the very first moment of its existence, began to visibly and tangibly take hold in the world arena. This principle was once officially recognized by Washington, which promoted the normalization of Soviet-American relations. This, in turn, had a favorable effect on the political climate throughout the world.

However, militarism, according to V. I. Lenin's definition, is one of capitalism's "vital signs," and the more aggressive imperialist circles objected to detente

from the very beginning and started to attack it. These attacks were particularly overt in 1981. Influential forces in the most powerful capitalist nation, the United States, made a much more energetic effort to "cure America of the post-Vietnam syndrome." Political scientists of all schools began to interpret this "syndrome," a concept they themselves had invented, as something just short of "a masochistic obsession with an accidental defeat," which should be "cured as quickly as possible" so that...life could get back to normal.

Under the cover of pseudoscientific phrases and chauvinistic slogans, Washington began to flex its muscles and allocate more and more billions of dollars for military needs. At first this was done on the pretext that it was necessary to "defend peace through power." Later even this pretext was discarded. Washington announced its intention to eradicate a strong guarantee of peace and security: the balance of strategic power between the USSR and United States, between the Warsaw Pact and NATO. A policy of U.S. military intervention throughout the world was also announced when entire regions were declared "spheres of American vital interests."

Many new pretexts were invented for this policy, but they were essentially the same as the old ones. "The monopolies decided," the accountability report of the CPSU Central Committee to the 26th congress of the Communist Party of the Soviet Union says, "that they needed someone else's oil, uranium and nonferrous metals, and so the United States declared the Middle East, Africa and the Indian Ocean a sphere of U.S. 'vital interests.'" The U.S. military machine is actively pushing its way into this region and plans to stay here a long time. The island of Diego Garcia in the Indian Ocean, Oman, Kenya, Somalia, Egypt--what next?"

The old scarecrow of the "Soviet threat" was once again dragged out into the open to camouflage this policy more effectively. When Washington leads itself into a blind alley, whether in the Middle East or in Europe, it makes a tremendous effort to convince the entire world that the "hand of Moscow" is directing all revolutionary conflicts and upheavals, which are known to be nothing other than symptoms of objective historical processes taking place in today's world, because Moscow did not want--and never will want--to live according to the "code of behavior" stipulated by Washington.

As a result of all this, the threat of a nuclear conflagration was intensified in 1981. The world was seized by troubles. The United States had its share of these troubles too. Washington's reversion to a foreign policy from a position of strength and anti-Soviet hysteria were called insane by such experienced diplomats and politicians as A. Harriman and G. Kennan. One of the pillars of the American establishment, THE NEW YORK TIMES, loudly declared that Washington's policy was costing the United States too much. It was losing economic strength and diplomatic influence, its national security was being undermined and its moral prestige in the international arena had declined, not to mention domestic political and economic consequences.

The troubles seemed countless, but life would not be life if there were nothing but trouble. There is also hope, and the foundation of this hope is the Soviet Union's consistently peaceful policy, which is free of temporary considerations and which is winning more and more approval throughout the world, including the approval of sensible people in the United States.

First of all, the Soviet Union introduced clarity and some calm into confused minds in the Western European countries, which Washington had tried to convince of the inevitability and even acceptability of "limited nuclear war"--although, of course, it would mean the end of the European continent. The Soviet Union discredited and refuted this delirious idea and simultaneously warned Washington officials that if a nuclear war were to break out, whether in Europe or in any other place, it would unavoidably and irrevocably take on global dimensions, and those who hope to set fire to the nuclear powder-keg and then sit on the sidelines and watch should not entertain illusions.

The Soviet Union exposed the myth of the "Soviet threat." The top Soviet leader, L. I. Brezhnev, has stressed over and over again that the Soviet Union is not threatening anyone, does not plan to attack anyone and has a military doctrine which is purely defensive in nature.

Last year the Soviet Union continued its peaceful offensive. It made new proposals and suggestions in regard to specific, carefully considered and fair ways of lowering the pitch of international tension and eliminating seats of conflict in the vast expanses from Central Europe to the Far East, including the Middle East, the Persian Gulf zone and the Indian Ocean.

The Soviet Union has been equally consistent in proposing the normalization of relations with the United States, based on mutual respect and on consideration for one another's rights and interests. Furthermore, the Soviet Union has stressed its desire to have good and friendly relations with the United States and cooperate with it for the sake of stronger peace on earth.

At the end of 1981 the hope that the world still had the will to eliminate the danger of war was reinforced by the start of talks on the reduction of nuclear weapons in Europe by representatives of the USSR and the United States in Geneva on 30 November. There was the possibility that this would be followed by the continuation of the Soviet-American talks on the limitation of strategic weapons. President Reagan said that the United States was willing to discuss this matter with the Soviet Union, as well as other matters on which the two sides disagreed. The Soviet side applauded this willingness but stressed the need for words to be backed up by the appropriate actions.

The hope that peace and security would be consolidated and that detente would be continued and strengthened was given strong momentum by L. I. Brezhnev's visit to the FRG and his talks with Chancellor H. Schmidt. This visit was of tremendous importance, and not only in the bilateral relations between the USSR and the FRG.

At this tense and extremely crucial moment in international relations, when they could deteriorate dramatically or change for the better, L. I. Brezhnev's visit to the FRG is of particular significance in relation to the entire group of problems between the East and West and the general trends in world politics.

The new Soviet-West German summit meeting and its results provide more evidence of the efficacy of the Soviet policy line in international affairs, which was worked out by the 26th CPSU Congress and is aimed at eliminating the danger of war, especially nuclear war, at disarmament and at detente and peaceful cooperation

by states with differing social structures. L. I. Brezhnev's negotiations, conversations, meetings and statements in the FRG represented a major political step in the implementation of the Program of Peace for the 1980's.

The fundamental security interests of the Soviet people, friends and allies of the USSR and all of the Europeans dictated the need to focus the talks in Bonn on the most urgent and momentous issue: the elimination of the danger facing Europe in connection with the plans to deploy new types of American nuclear missiles in several Western European countries, especially the FRG, and the prevention of the disruption of the balance of power in favor of the NATO bloc. This issue was raised as directly and definitely as possible.

While he was in the FRG, L. I. Brezhnev set forth new, far-reaching proposals with a single aim in mind--the aim of reaching a mutually acceptable agreement to deliver Europe from the danger of a nuclear conflagration. These proposals were not only intended for the FRG and other Western European countries, but were also addressed to the United States in connection with the start of the Soviet-American talks on medium-range nuclear weapons in Europe.

In essence, the new Soviet proposals are the following.

First of all, the Soviet Union considerably supplemented its earlier proposal regarding the moratorium on the deployment of new medium-range nuclear weapons in Europe and the modernization of existing ones for the period of the talks on these types of weapons. The Soviet side expressed its willingness, on the condition that the other side consent to this moratorium, to unilaterally reduce the number of its medium-range nuclear weapons in the European half of the USSR, thereby moving toward the lower level which the USSR and United States might agree upon during the course of the talks.

Secondly, the Soviet Union stressed its intention to advocate the radical reduction of medium-range nuclear weapons by both sides at the Geneva talks--to reduce the number of these weapons by hundreds and not by dozens. Naturally, this will include American forward-basing weapons and the corresponding nuclear weapons of England and France.

Thirdly, the USSR would be prepared to agree on the complete elimination of all types of medium-range nuclear weapons aimed at targets in Europe by both sides, the West and the East.

Furthermore, L. I. Brezhnev stressed, the Soviet Union is completely in favor of eliminating all nuclear weapons, medium-range and tactical, from Europe. This would be a genuine final solution that would be fair to both sides.

The proposals set forth by L. I. Brezhnev represent a program for the curtailment of nuclear weapons in Europe. It is consistent with the desires of all people and the demands of the broad masses opposing the danger of nuclear war.

The Soviet Union expects the West, especially the United States of America, to give the new Soviet initiatives its full attention and objective consideration.

The issue of nuclear weapons in Europe is an issue concerning more than the future of the continent and the fate of the hundreds of millions of people inhabiting it. It is also an issue concerning the fate of the entire world. The Soviet Union wants to negotiate the kind of settlement that will not harm anyone's security but will lower the level of military confrontation in Europe.

It would be an illusion, however, to imagine that this kind of settlement will come about by itself. Judging by many indications, the chief NATO powers, especially the United States, are still hoping to gain military advantages for themselves and are actually hoping for the unilateral disarmament of the Soviet Union. As L. I. Brezhnev has stated firmly and clearly on several occasions, including his trip to the FRG, the Soviet Union will not agree to this. The Soviet people and the Communist Party will never compromise the security interests of our country and our allies and friends. The European people, the American people and all those who value the cause of disarmament and peace must know about this. Western government officials must also realize this.

One of the main conclusions that can be drawn from L. I. Brezhnev's talks in the FRG, as underscored in the document of the CPSU Central Committee, USSR Supreme Soviet Presidium and USSR Council of Ministers "On the Results of the Visit of Comrade L. I. Brezhnev, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium, to the Federal Republic of Germany," is that states, regardless of their social order or their membership in various military alliances, must make every effort and continue to work together in order to consolidate peace and restore the climate of detente and trust. It is essential that all states take this as a guide.

The document states that L. I. Brezhnev's talks in Bonn revealed the common views of the Soviet Union and FRG about the importance of maintaining political dialogue between states in complex international situations. The CPSU and the Soviet State have always believed that each country, sensing its responsibility for the course of international events, should do everything within its power to create a political atmosphere favoring the successful conduct of talks and the development of dialogue. As for the dialogue between the USSR and the United States, the Soviet position on this matter has been defined quite clearly, primarily at the 26th CPSU Congress. It is in favor of this dialogue.

The Soviet Union's international activity for the security and progress of people, for detente and for the curtailment of the arms race is strengthening the will of people everywhere on earth to preserve the highest value of human civilization--peace--and to defend it actively and daily.

Experience has shown that the chance of success in the struggle for peace increases as the voices of individuals, various social forces and groups in defense of peace become louder and more demanding. The results of L. I. Brezhnev's trip to the FRG are increasing the chances that the struggle for the preservation of peace will become more effective and are giving people more confidence that even the most difficult international problems can be solved.

The hope of a peaceful future on our planet would be even stronger if Washington could give up its dream of attaining military superiority to the USSR. After all,

if the need should arise--and experience corroborates this--the Soviet people will find a way to make an additional effort and do everything necessary to provide their country with reliable defense. Washington will not be able to intimidate the Soviet Union with economic pressure either. It should remember that the benefits of economic cooperation are not at all the privilege of any one side. This kind of cooperation is mutually beneficial and those who oppose it will harm themselves at least as much as the other side, if not more.

Who now does not know that wise government does not consist in "responding quickly" with force or various types of "sanctions," but in responding correctly, with a view to the objective realities of today's world, and finding peaceful ways of solving problems?

We hope that precisely this kind of wisdom will triumph. We hope that the people's wishes for peace and disarmament will triumph. We hope that the year of 1982 will alleviate fears and strengthen hopes.

Man is responsible for everything that happens on our planet. There is nothing predetermined or inevitable about a thermonuclear catastrophe. The people who are involved in the constantly growing movement for peace and security are well aware of this. Responsible politicians and leading scholars in all countries are also aware of it. These are precisely the ideals that lie at the basis of, for example, the International Pugwash movement of scientists, the latest meeting of which was held at the end of 1981. The members of this movement are guided by the belief that mankind can only be saved through the actions of people. It is the duty of all people, working together and individually, to save civilization. Science, just as all other spheres of human activity, must be used for the good of mankind and not for the escalation of the arms race or for the sake of general destruction.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

WASHINGTON AND THE NEW INTERNATIONAL ECONOMIC ORDER

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 8-19

[Article by A. V. Nikiforov]

[Text] The heads of state and government from 8 developed capitalist nations and 14 developing countries met in Cancun (Mexico) at the end of October 1981. The meeting was part of the "North-South" dialogue, which began in 1975, regarding international economic cooperation and the development of young states. The preparations for the conference and the discussions at the meeting directed the attention of the international community to the struggle of the developing countries for a "new international economic order" (NIEO), which has made the problem of reorganizing international economic relations one of the central issues in contemporary international politics. As a necessary continuation of the process of decolonialization, this kind of reorganization, conducted on a democratic basis and in line with the principles of equality, would be historically natural, as speakers stressed at the 26th CPSU Congress.¹ The struggle of the developing countries for the NIEO, which is intended to eliminate neocolonial exploitation, has given rise to a new sphere in the foreign policy of the largest neocolonial power, the United States--policy on the reorganization of international economic relations.

Washington's approach to this problem, particularly the demands of the NIEO program, has been shaped by three main groups of factors. The first consists of the complex of U.S. economic and social interests in the developing countries. The scales of U.S. economic ties with this group of countries are constantly growing. In 1979 this group accounted for almost 34 percent of all American exports and 45 percent of U.S. imports. In 1978 more than half of the industrial commodities exported by the young states to the developed capitalist countries entered the U.S. market, including almost 60 percent of their exported machines and transport equipment. The United States receives almost a third of its imported raw materials and 37 percent of its imported mineral fuel (oil and gas) from the same states. In turn, the developing countries receive one-fifth of all their imported machines, one-fourth of their chemicals, one-third of their textile fibers and more than one-half of their cereal grain from the United States.² The combined direct investments of American monopolies in the developing countries are now growing more quickly than capital investments in the developed capitalist countries and totaled 47.8 billion dollars by the beginning of 1979. The profit norm on these investments was 26.5 percent in the first case and 17.7 percent in the second.³ It must be borne in mind, however, that the lion's share of American investments is concentrated in a

small group of the most highly developed countries in Latin America and Southeast Asia. According to some data, American private banks account for around 40 percent of all the bank credit received by the developing countries, or almost one-third of the overseas credit extended by these banks.⁴

The United States and other Western nations regard the developing world with its population of millions as a reserve for the expansion and rejuvenation of the entire capitalist system by means of its development "in breadth." In recent years, however, Washington has been pressured by the "Group of 77" to take some steps to reform the system of neocolonial exploitation.⁵ The only specific change in the U.S. stand on the NIEO, however, has consisted in attempts to guarantee U.S. monopolies compensation for the economic "losses" they sometimes incur as a result of the disruption of neocolonial relations by attaching the young states to the world capitalist system with economic and political bonds.

Therefore, the economic and social interests of the United States in these countries will determine the objective limits and possibilities of change in the U.S. approach to the NIEO--from attempts to preserve the essence of neocolonial relations as much as possible to the satisfaction of some of the demands of the developing countries, but certainly only on the condition that these demands do not transcend the capitalist framework.

Secondly, differences in the foreign policy philosophies of the Democratic and Republican parties, particularly in their approaches to relations with the developing countries, play a significant role in determining the U.S. stance in talks on the NIEO at different stages.

Thirdly, the U.S. approach to the demands of the liberated countries has been greatly influenced by foreign political factors, the dynamics of the developing world's struggle for the NIEO and the effectiveness of its political pressure on the Western countries, especially the United States. In turn, these factors are closely related to the overall state of international relations and the evolution of the central global conflict of the present day, the conflict between socialism and capitalism. There was a natural connection between the atmosphere of detente in the mid-1970's and the initial success of the developing countries' struggle for the NIEO, just as there is now an obvious connection between the United States' present negative stand on these problems and its general line of undermining detente and relying on military force to settle international problems. Against the background and within the framework of this connection, the attitude of Washington's Western allies toward the NIEO is certainly affecting the specific solutions chosen by Washington as ways of settling the conflict over this issue. Although there are noticeable differences in the allies' opinions, the Western European countries and Japan have had a general restraining effect on the U.S. stand on the NIEO. These countries are more dependent on the developing world for their raw materials and oil, have a keen awareness of the peculiarities of the developing countries and have a great deal of experience in sociopolitical maneuvering, and these generally lie at the basis of their more flexible position with regard to the NIEO. Although the United States will still have the "final say" on matters pertaining to changes in capitalism's world economic ties, it has had to modify its policy on the NIEO talks and certain aspects of its counterproposals under pressure from its allies.

The Demands of the Developing Countries

The abovementioned general international conditions of the mid-1970's and the reduced ability of the imperialist powers to use extra-economic means of coercion, primarily military force, allowed the developing countries to, first of all, actually begin rebuilding their economic relations with the West "from the bottom up," so to speak (by nationalizing branches of American and Western European monopolies, raising the prices of raw materials, regulating their extraction, etc.) and, secondly, force the West to discuss the NIEO program. We should recall that its basic provisions were set forth in four UN General Assembly documents: the declaration and program of action for the establishment of a new international economic order, adopted by the Sixth Special Session of the UN General Assembly in 1974, the charter of economic rights and obligations of states, adopted by the 29th regular session in 1974, and the resolution on development and international economic cooperation, adopted by the seventh special session in 1975.

The demands of the developing countries are aimed at the attainment of three main groups of objectives. The first group includes the implementation of certain principles and their total establishment in international relations--principles such as the unconditional sovereignty of states over their economic resources, the sovereign equality of states, the freedom to choose economic and social systems, the prohibition of discrimination on these grounds, and some others. The second group of objectives is concerned with "guaranteeing them fair participation in the international decision-making process." It includes, above all, the augmentation of their role in existing international economic organizations (IMF, the IBRD group and others), and not only a role commensurate with their economic strength and financial contribution, but a role based on the gradual elimination of the absolute connection between the contributions of members and their number of votes in the decision-making process, and, secondly, the creation of new organizations in accordance with this principle. Besides this, the developing countries are demanding that the functions of overall supervision and the elaboration of international economic reforms be transferred to organs in which the political equality of states is already guaranteed (the UN General Assembly, UNCTAD, UNIDO and other UN bodies).

The third group of objectives covers demands in various spheres of economic relations between the developed capitalist states and the developing countries. One of the central demands concerns the stabilization of the developing countries' revenues from raw material exports. Their main proposals in this sphere are all set forth in the so-called integrated program of raw materials and the general fund.⁶ Besides this, to eliminate the negative effects of inflation, the raw material price index is to be regularly brought in line with the price index of the 89 principal commodities imported by the developing countries from the developed states (indexation). The developing countries are also demanding, in addition to this price maintenance mechanism, considerably broader scales of compensatory financing (to cover a deficit in the balance of payments in the event of declining export revenues): a simpler procedure for the consideration of requests, the cancellation of the practice of extending credit on the basis of the general balance of payments, etc.

The proposals pertaining to currency and financing problems cover such items as the "general alleviation of the burden of debts,"⁷ increased resource transfers⁸ and the reform of the international currency and financing mechanism.⁹

In the sphere of trade in finished industrial goods, the developing countries are demanding the general reduction of the import customs tariffs of the developed capitalist countries; the establishment of differentiated and more favorable customs terms for the commodities of the young states (that is, lower tariffs than those charged in trade between developed countries on most-favored-nation terms); a pledge by the developed countries not to institute any new non-tariff restrictions on imports from the Third World (the "status quo" principle). By the end of the 1970's all of the problems connected with the world trade in industrial goods, the increased export of which is rightfully viewed by the young states as the chief means of their industrialization and development, were set forth by these countries in the concept of the "structural reorganization of the world economy for the purpose of global development." This concept essentially signifies that coordinated measures will be worked out on the UN level (by UNCTAD, UNIDO and the ILO) and carried out by the developed countries to move certain spheres of production to the developing countries when the latter have relative economic advantages in these spheres (the proximity of raw materials, for example).

Finally, the developing countries have demanded measures to strengthen the international legal regulation of the activities of multinational corporations. The central demand in this area concerns the development and adoption of a "code of behavior for the multinationals," which would regulate the main spheres of relations between private investor firms, host countries and the multinationals' base countries.¹⁰ Another special code would regulate international technology transfers in order to simplify and expand these transfers, particularly in the developing countries, and eliminate excessive restrictions on the transfer of patented technology.

The developing countries believe that both codes should be legally binding, should apply only to multinational corporations and should provide for the settlement of disputes in accordance with the national legislation of the states receiving the investments and technology. Besides this, international bodies should be set up to oversee adherence to both codes. At the initiative of the developing countries, draft standard legislation is being elaborated in UNCTAD with regard to "restrictive business practices" (the restriction of the access of firms to markets by monopolies, the "unfair" restraint of competition, the exertion of negative pressure on the consumer, etc.), which could lie at the basis of the appropriate national economic legislation in these countries. Although the provisions of this draft are universal in nature and are not directed exclusively against the multinational corporations, it is precisely the monopolistic "business practices" of these corporations that are threatening the development of the national economies of the young states.

It is not difficult to see that the NIEO program is based on the following main principles: the sovereign equality of states and the establishment of state sovereignty (primacy in domestic affairs and independence in foreign affairs), the principle of the responsibility of the developed capitalist countries for the underdevelopment of the young states and the related principle of non-reciprocity (special privileges, the redistribution of financial resources in favor of the developing countries, etc.) and the principle of the political regulation of economic relations by means of the expansion of international legal agreements, which should be aimed at establishing the political equality of states in order to eradicate their economic inequality.

The principle of interdependence plays a special role here. The definitions of this term in documents pertaining to the NIEO contain cautious references to the common long-range interests of the developed capitalist nations and the developing countries. For example, the charter of the economic rights and obligations of states says that "the prosperity of the developed countries and the growth and development of the developing countries are closely interrelated" and the declaration on the establishment of the NIEO states that "the interests of the developed countries and the interests of the developing countries can no longer be isolated from one another."¹¹ Although the specific demands and the abovementioned "working" principles of the NIEO often turn out to be unacceptable to the United States and other Western countries in practical talks, the concept of interdependence, in the sense that the developed capitalist countries must agree to the NIEO for their own good, is laying the ground work for compromises. This is why the thesis regarding interdependence has become the common "theoretical" basis for the entire North-South dialogue and all of the reforms proposed by both sides for world economic capitalist relations, regardless of how different they might be.

The Carter Administration's Approach

It was this interpretation of the thesis of interdependence that served as the basis of the Democratic administration's approach to the idea of reorganizing international economic relations. "We are fully determined to support the rapid and comprehensive growth of the developing countries as something that is consistent with our national interests and ideals," said former Secretary of State Vance. "We realize that this will sometimes require some adaptation of our own economy."¹²

The Democrats' characteristic policy of safeguarding long-range U.S. interests in the developing countries by means of socioeconomic reforms (this is attested to by just the main goals of the "New Frontiers" policy and the "Alliance for Progress") evolved, when it encountered the NIEO issue, into a recognition of the need for specific reforms in capitalist economic relations, the stronger international regulation of the capitalist economy, a slightly important role for the developing countries in the regulation process, etc. These countries, regardless of the level of their development, were viewed by Washington as an integral part of the capitalist system. Furthermore, whereas certain concessions to the more highly developed young states or those with the richest natural resources appeared to be vitally necessary, aid and "special privileges" to the poorest were viewed as an essential condition for the "social peace" of the entire system.

The Carter Administration's approach to the NIEO issue was based on these premises and had the following distinctive features. Above all, it was a global approach. The administration regarded the reorganization of international economic relations as one of the most important global problems in whose resolution the United States should take the leading role in order to reinforce its global positions and establish a new variant of the "Pax Americana" in the future, this time on the basis of interdependence. The reorganization was intended to strengthen integration processes in the world capitalist economy, which were to focus on the developed Western countries, headed by the United States, and reinforce the capitalist basis in the developing countries. At the same time, the reorganization was intended to bring about the more active "involvement" of the socialist countries in this economy.

Another distinctive feature of the Democratic approach to the NIEO was Washington's view of interdependence in the global reformist context as the antithesis of strong state sovereignty for the developing countries. It has begun to view the entire non-socialist world as an arena of collective efforts aimed at economic development based on the principles of private enterprise. For example, when former U.S. Representative to the United Nations D. McHenry spoke at the 34th Session of the General Assembly (1979), he said that the practice of dividing states into developed and developing countries should be abandoned in favor of a "spectrum" of development. All countries and even specific regions in these countries supposedly occupy specific places along this spectrum, and constant ascent is the common objective.¹³ The United States countered the most important principle of the NIEO, the sovereign equality of states, with the concept of the "equality of individuals." It announced that the strategic purpose of the reorganization of international economic relations and, consequently, of the talks on the NIEO would be the achievement of bourgeois "equal opportunities" for all "citizens of the world," accompanied by the gradual eradication of state sovereignty and the reinforcement of supranational global organizations.

In this area, the United States is endeavoring to consider the increasing socio-economic and political differences between developing countries. Some of them are developing according to the capitalist pattern. In states with a socialist orientation, on the other hand, the development of capitalism has been deliberately restricted by progressive reforms, and in the majority of liberated countries it is being restricted by the weight of pre-capitalist traditions. In the case of the first group of states, the concessions the United States was prepared to make with regard to the NIEO were viewed primarily as a means of bringing about the overall improvement of relations, within the context of which stronger pressure could be exerted on some of them to safeguard bourgeois democratic "human rights" (Chile and South Korea) or, in other words, to bring about some liberalization of reactionary regimes. As for the other developing countries, the satisfaction of the "basic needs of the individual" has been demanded in exchange for these concessions instead of "human rights."

The elevation of the concept of "basic human needs" to the level of official policy in questions pertaining to "aid" to the developing countries was the third distinctive feature of the Democrats' approach to the NIEO. This concept stresses the need to "increase the productivity of the poor." In rural areas this would mean that the poor would have to be given access to land, credit, elementary medical services and education. In industry, the stimulation of small enterprises with labor-intensive technology was proposed. This was supposed to guarantee the growth of agricultural and industrial production, employment and the income of most of the population, lower the birth rate, etc. The "basic needs" strategy was intended to stimulate the development of small-scale private production, increase the number of small property-holders and thereby guarantee the capitalist development of young states. In contrast to the policy of the 1960's, this strategy, which stressed the development of small-scale agricultural and industrial production and preached the idea of renouncing large-scale industrialization, was supposed to take the productive forces of the young states out of the developmental mainstream. In this way, the objective interests of their development were to be sacrificed for the maintenance and spread of capitalist production relations. The Carter Administration slightly increased government aid to the

developing countries for such purposes as food production, education and public health in an attempt to use bilateral ties and the NIEO talks to force ruling circles in these countries to commence socioeconomic reforms in line with this strategy.

In this way the United States actually countered the NIEO program with its own, far from equivalent "new world order," which could be described as "Americanocentric international interdependence." Nevertheless, the Democrats' slightly more constructive overall approach to the reorganization of international economic relations and some of its basic principles (for example, the recognition of the specific interests of developing countries and the need for the stronger international legal regulation of the world capitalist economy and a stronger role for international organizations) afforded certain opportunities for compromise.

The Results of the 1970's

As a result of long and difficult talks, certain compromises had been reached on some of the developing countries' demands by the end of the Democratic administration's term in office. In June 1980, for example, an agreement was concluded within UNCTAD on the creation of a general raw material fund.¹⁴ Under the pressure of the United States and other Western countries, the developing states decided not to assign the fund the function of overseeing the implementation of individual trade agreements, direct involvement in markets, compensation for losses from exports of raw materials not covered by international trade agreements, initial demands regarding total capital in the fund, etc. In exchange for this, the United States agreed to the establishment of a "secondary source" in the fund and, in general, to the creation of its initial capital through direct contributions from member states.

As a result, the fund in its final form resembled the original Western model. The 1980 agreement, which specified the autonomy and independence of international trade agreements in relation to the fund, actually nullified the fund's significance as the central element of the integrated raw material program. Instead of serving as the regulating center for virtually all world trade in raw materials and adjusting market trends to benefit the developing countries, the fund will serve only as a source of preferential credit extended according to the terms of separate international trade agreements and will offer subsidies to some states for the development of raw material exports. Nevertheless, the United States and most of the other developed capitalist countries still have not ratified the agreement or honored their pledges regarding contributions to the fund.

The relative progress in carrying out the integrated raw material program (the creation of the general fund) has also been nullified by the standstill of talks on international trade agreements on specific commodities. The only agreements in force at present are those regulating the trade in tin, rubber, coffee and sugar (and the last one does not meet the requirements of the "Group of 77"). The conclusion of a new cacao agreement was blocked by the United States. It is still refusing to even consider the young states' indexation proposals.

The efforts to expand compensatory financing have been more successful: Access to this kind of financing within the IMF framework has been simplified, and

the STABEX (stabilization of exports) system of compensation has been modified so that the compensation can be offered in larger volumes and on easier terms within the framework of the second Lome convention on the association of 58 developing countries with the EEC.¹⁶ According to the estimates of UNCTAD experts, however, the IMF compensation mechanism, which takes in all of the developing countries, is now covering much less than half of the actual reduction in their export revenues. For this reason, they are demanding that the West, especially the United States, ensure that the amount of compensation they receive for their losses is not based on the country's quota in the IMF, but directly on the deficit in its balance of payments (this principle, with a few restrictions, already lies at the basis of the STABEX system).

Most of the NIEO objectives in the sphere of currency and finance have not been attained. The main debtors and creditors arrived at a compromise decision on the question of the foreign debt of the developing states in March 1978: a program to bring the terms of early bilateral intergovernmental loans, extended by the developed countries to the 30 poorest developing states, in line with today's more preferential terms.¹⁷ The United States, however, has not joined other states in making specific moves in this direction. The administration simply obtained the consent of the Congress to authorize the President to allow the poorest countries (but strictly on an individual basis) to accumulate their total unpaid debt in local currency for the subsequent use of these funds in development projects approved by the United States. But the attempts to obtain Congress' approval of even a limited version of the "retroactive relaxation of terms" for 16 countries for a sum of only 18.8 million dollars, which they were supposed to pay the United States in 1980, were unsuccessful.

In the matter of the flow of financial resources into the developing countries, Washington objected to various "automatic" aid mechanisms and the "mass transfer of resources" and did not honor the pledge to increase total government aid to 0.7 percent of the GNP (U.S. aid in 1980 amounted to only 0.18 percent of the GNP).¹⁸ It stressed the need to augment the role of international organizations: the IMF, IBRD and regional development banks. The U.S. contribution to these was around 4 billion dollars over a period of 3 years (1977-1979).¹⁹ For the sake of comparison, we should note that these organizations extended a total of 63.3 billion dollars in credit to the developing countries between 1973 and 1979.²⁰ In the sphere of bilateral aid, there was a slight increase in the funds offered by the United States to many of these countries to cover "basic human needs" (from 800 million dollars in 1977 to 1.2 billion in 1979). On the other hand, just two countries, Egypt and Israel, received 2.3 billion dollars each during the 1977-1979 period in the form of "aid for the maintenance of security" (non-military shipments for military construction).

In the sphere of trade in industrial goods, the United States and the other Western countries objected to the proposal made by the developing states at UNCTAD-V in 1979 and the Third UNIDO Conference in 1980 regarding the structural reorganization of the world economy with the creation of an international administrative organ and a special financial fund. The GATT agreement reached in 1979 as part of the "Tokyo round," however, envisages the reduction of duties on industrial and agricultural goods circulating primarily among developed capitalist countries by 33-41 percent, while the duties on the export goods of developing countries will decrease by less

than 20 percent.²¹ Although this agreement contains a provision which authorizes the developed countries to offer more favorable customs rates to developing countries (the differentiated approach), it is not compulsory and will depend on bilateral agreements, which will actually inhibit the extension of these terms. Furthermore, in exchange for this concession, the West won the developing countries' consent to the principle of "gradation"; in other words, the favorable terms will gradually be eliminated as the economies of these countries develop. The exports of the young states will continue to be harmed considerably by the institution of quantitative import quotas in the Western countries (by the beginning of the 1980's the United States, for example, had instituted additional quotas of this kind for imports of footwear and television sets), and the young states are demanding the adoption of a "code of multilateral guarantees" within the GATT framework, which would envisage automatic compensation for their losses in such cases.

In the regulation of multinational corporate activity, the most significant progress was noted in the drafting of a standard law on restrictive business practices. The agreement on this matter was reached at the beginning of 1980. As for the "code of multinational corporate behavior" and the "technology transfer code," although an agreement has been reached on the basic principles of regulation, the main problem has not been solved--the determination of the judicial force of these documents. The United States and other Western countries are insisting that the codes should be indicative rather than binding, and that the parties involved should reach an agreement on which country's laws will be used to settle disputes. Besides this, the United States has not abandoned its efforts to extend the force of the codes to the host governments as well as the multinationals, in order to protect the monopolies against "political risks."

Therefore, the progress in implementing the NIEO program by the beginning of the 1980's could only be described as moderate at best. The most significant U.S. measures were taken in such traditional spheres as compensatory financing and international channels of development assistance. As the UN secretary general noted in his report, "most of the developing countries are still in a fundamentally unfavorable position in the chief markets...and their participation in the management of vitally important elements of the international economic system is still inadequate."²²

In the hope of beginning a new round in the struggle for the NIEO, at the end of the 1970's the developing countries proposed "global talks on international economic cooperation" in 1981 within the UN framework to reach specific, all-encompassing decisions with regard to raw materials, energy, trade, development and finance. Their attempts to assign the function of overseeing reforms to a body based on the political equality of states (like the UN General Assembly), however, were impeded by Washington. The United States and some other Western countries expressed the opinion that decisions pertaining to the functions of existing international organizations should be made by them. Therefore, by the time of the change of administrations in Washington, the talks on the NIEO had reached an impasse.

The Reagan Administration's Approach

It is known that the Reagan Administration swept into power on a wave of conservatism, as a result of a rightward shift in sociopolitical life in the United

States. Some of the fundamental principles of its platform were connected with the topic of this article.

Above all, this administration has a narrow, egotistical view of international economic relations. Whereas the Democrats believed that the future "prosperity" of the American economy would depend on the general state of the world capitalist economy, the Republicans are giving this relationship the opposite interpretation. "Other countries must realize," the President said in one interview, "that a healthy U.S. economy and industrial base are the key to their security and the healthy state of their economy." In other words, the Republicans have resolved to concentrate on the revitalization of the U.S. economy largely at the expense of their partners in the developed and developing countries. In particular, Washington's raising of interest rates on U.S. credit for this purpose has led to a slight rise in the exchange rate of the dollar. As a result, the developing countries have had to pay 10 or 15 percent more than before in other currencies for oil (all transactions in this area are carried out in dollars).

The second general principle is the actual identification of the American government's domestic and foreign policy interests with the interests and goals of big business. This principle lies at the basis of the administration's domestic economic program, which is known to envisage considerable financial and legal privileges for monopolies, and presupposes the cancellation of a number of restrictions and standards which also regulate their foreign economic activity. This is most possible in transactions with the developing countries because they are relatively weak partners. According to Washington's plans, it is the multinational corporation that should become the main "instrument of development."

These principles lie at the basis of the pointedly negative U.S. policy on the economic demands of the developing countries, particularly the demands connected with the NIEO program. One of the Republican Administration's first moves was its refusal to sign the draft convention on the international law of the sea, prepared with the participation of its predecessor. This document imposed certain restrictions on the activities of mining monopolies in the interest of the majority of states, but this is precisely why Washington found it unacceptable. The fate of this convention attests to the fairly gloomy prospects for international legal documents prepared during the talks on the NIEO, especially the "code of multinational corporate behavior" and the "technology transfer code."

This administration has also taken a tougher stand in other areas of economic relations with the developing countries. In the sphere of trade, for example, the United States, in addition to the quantitative limitation of its imports, has been more unyielding than other states in its pursuit of a policy of "selective customs exemptions," in accordance with which many of the commodities imported from Mexico, Brazil and some other countries were no longer allowed to enter the United States duty-free after 31 March 1981.

The present administration prefers bilateral aid to multilateral assistance in the sphere of economic aid to the developing countries, because imperialism has had the greatest success in using bilateral aid in its own immediate political interests. In this area, Washington is emphasizing "security maintenance aid" (2.6 billion dollars in 1982, as compared to 1.9 billion for economic development aid), and

primarily to such "key countries" as Egypt (750 million dollars), Pakistan (100 million), Sudan (100 million), Somalia, Kenya and several others, not to mention Israel. Realizing, however, that it will be impossible to stop, or at least curtail dramatically, American participation in multilateral aid programs (this was recommended by the Heritage Foundation, one of the "brain trusts" serving ruling circles), the administration confirmed the U.S. intention to contribute to the International Development Association (3.2 billion dollars) for 3 years, but stipulated that the contribution would be reduced in 1982. In addition, Washington has objected to the developing countries' demand for the expansion of the functions of the IMF and IBRD. At a joint session of their administrative bodies in May 1981, American representatives objected to the proposal made by these countries regarding the issuance of additional special drawing rights totaling 15.6 billion dollars and their distribution among the developing countries. At the same time, the United States declared that it was "deeply disturbed" by the IBRD plans to open a branch to finance the development of new sources of energy in the Third World and informed the bank that it would not contribute to the maintenance of this branch.

Washington's position in economic relations with the developing countries as a whole has also undergone a slight shift from a "global" approach to a regional one. Certain concessions, aimed at smoothing out conflicts and strengthening economic ties, will be made only to the United States' closest neighbors: Mexico (the idea of the North American Common Market) and the Caribbean countries (the "Caribbean Plan"). American economic interests in other parts of the capitalist world are to be safeguarded primarily by American monopolies, free of control and supervision, and the infringement of American "vital" interests (including oil imports) will result in the use of military force.

Apparently, the Reagan Administration originally had no intention of making any integral proposals regarding the reorganization of international economic relations and the demands of the NIEO program. Viewing the developing countries primarily as a "field of competition with the USSR," Washington centered its policy in Asia, Africa and Latin America around the guaranteed "security" of these countries, essentially by suppressing the national liberation movement and subverting progressive regimes in every possible way, including even armed aggression. Under the pressure of the developing states, and even of the majority of its Western allies, however, the administration had to first cautiously admit the "connection between security and development" and then, just before the meeting in Cancun, finally set forth its long-range views on economic relations with the developing world.

According to the organizers of the meeting (Mexico and Austria), it was supposed to give "political momentum" to the entire North-South dialogue and end the deadlock in the abovementioned "global talks" within the United Nations. However, the American Government's proposed "strategy of cooperation to guarantee global economic growth" completely ignores the very idea of these talks and the specific economic demands of the developing countries. It does not even mention the integrated raw material program, international trade agreements, the currency and finance problems of the young states, the "code of multinational corporate behavior," and so forth. The economic development of the liberated countries is actually equated with the stimulation of private enterprise and foreign capital investments, and the main obstacle to this development is specified not as the

"international system"--that is, the system of neocolonial exploitation--but the attempts of many developing countries to concentrate on the consolidation of the state sector of their economy and regulate multinational corporate activity in the national interest.

It is clear that this is not simply another inappropriate U.S. response to the economic demands of the developing countries, but a new type of aggressive strategy, aimed at preserving traditional forms and methods of neocolonial exploitation and at using economic blackmail to divert many of these states from the path of progressive internal socioeconomic reforms. It is not surprising that the developing countries had a negative response to the Reagan Administration's platform.

Therefore, the intention to use old, bankrupt methods to solve new problems is clearly reflected in the U.S. stand on the reorganization of international economic relations, just as in other spheres of U.S. foreign policy, and even domestic policy. This line is essentially reactionary and could lead to serious complications in U.S. relations with the developing countries and, if we consider the obvious inclination of the present White House masters to deal from a position of strength, in the entire system of international relations. The experience of the 1970's proved, however, that the reorganization of international economic relations with a view to the just demands of the developing countries could be accomplished more quickly in an atmosphere of detente, universal adherence to the principles of peaceful coexistence and the organization of equal and mutually beneficial cooperation by all states on this basis.

FOOTNOTES

1. "Materialy XXVI s"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, 1981, p 15.
2. Calculated according to: "1979 Yearbook of International Trade Statistics," United Nations, New York, 1980, pp 1076-1123.
3. For more detail, see No 4 for 1981, pp 117-125--Editor's note.
4. "North-South Dialogue: Progress and Prospects. Hearings Before the Subcommittee on International Economic Policy and Trade and on International Organizations of the Committee on Foreign Affairs, House of Representatives, May 1, 13, 15 and June 19, 1980," Washington, 1980, pp 33, 114.
5. For more detail, see M. Ya. Volkov, "American Neocolonialism: The Current Stage," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 12, 1981--Editor's note.
6. It envisages international trade agreements on the 18 major crude resources. The prices of 10 types (cacao, coffee, sugar, tea, cotton, coarse fiber, jute, rubber, copper and tin) will be stabilized through the creation of buffer stocks, and the prices of the other 8 (bauxite, iron ore, manganese, phosphates, tropical wood, bananas, vegetable oil and oil-bearing seeds, and meat) will be stabilized by means of export quotas. According to the plans of the developing countries, the general fund, which would be financed by contributions from the

economically developed and developing countries, would be responsible for the centralized financing of buffer stocks within the framework of individual trade agreements; the support of prices stipulated in these agreements, by means of direct involvement in markets and other methods; compensation for losses from exports of crude resources not covered by international trade agreements; the funding of the development and diversification of raw material and food production.

7. The original demands included the cancellation of the debts of the 30 poorest countries, moratoriums on the repayment of debts by the "most seriously victimized" countries and the consolidation (postponement of repayment) of the commercial indebtedness of some countries with a new repayment schedule extending over at least 25 years.
8. The augmentation of the aid offered by all economically developed countries to 0.7 percent of the GNP, the elimination of restrictive conditions on the extension of aid, the creation of "automatic" aid mechanisms, etc.
9. The reduction of the role of national currency (particularly the U.S. dollar) and gold and the augmentation of the role of special drawing rights as international reserves; the more equitable distribution of currency resources "with special consideration for the needs of the developing countries"; several measures to stabilize currency exchange rates and prevent the transfer of inflation from the economically developed countries to the developing states, etc.
10. The draft code proposed by the developing countries demands that the multinationals observe the national sovereignty of the host country, uphold its economic and social goals and refrain from interfering in its domestic affairs and international relations. It also contains several specific provisions regarding ownership, control, price transfers (in the trade between the multinational corporation and its branches), taxation, competition, etc.
11. UN Resolution A/3281, adopted by the 29th Session of the UN General Assembly, ch IV, p 31; Doc A/9556. 3201 (S-VI), art 3.
12. DEPARTMENT OF STATE BULLETIN, May 1979, p 33.
13. Ibid., December 1979, p 55.
14. The fund consists of two virtually independent parts. The first, with initial capital of around 400 million dollars, extends credit on preferential terms to international organizations overseeing the implementation of international commercial agreements. The funds from the second (initial capital of around 350 million dollars) will be used for loans and subsidies to "heighten the long-range competitive potential and prospects" of raw material production and sales, or, in other words, to heighten labor productivity, improve marketing, expand technical aid to producers, etc.
15. In August 1979 the compensation was extended to invisible items of the balance of payments (tourism, emigration, etc.), the annual limits were abolished, the loan volume increased to 100 percent of the country's quota in the IMF, etc.

16. For more detail, see MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA, No 6, 1981, pp 125-131.
17. This refers to the so-called "retroactive relaxation of repayment terms." These loans totaled 3.2 billion dollars by 1 January 1978, including around 1 billion in U.S. loans.
18. "World Development Report 1980. The World Bank," Washington, August 1980, pp 140-141.
19. "U.S. Overseas Loans and Grants and Assistance from International Organizations, July 1, 1945-September 30, 1979," Washington, 1980, p 6.
20. Ibid., pp 208-252.
21. "Report of the UN Secretary General, A/S-11/5, 7 August 1980," p 78.
22. Ibid., p 164.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

PRESIDENT F. D. ROOSEVELT: POLITICAL REALISM AND ACTION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 20-33

[Article by N. V. Sivachev: "Franklin Roosevelt--President of Action and Political Realist (Commemorating the Centennial of His Birth)"]

[Not translated by JPRS]

CSO: 1803/8

UNITED STATES-ISRAEL: SPECIAL RELATIO

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 34-45

[Article by S. M. Rogov: "The American-Israeli Alliance: Its Nature and Distinctive Features"]

[Text] The relations that have developed between the United States and the State of Israel in recent decades probably have no parallel in Washington's foreign policy. The U.S.-Israeli alliance is unique because it represents a specific type of partnership between a leading imperialist power and a small capitalist state with limited human and economic potential. In the economic sphere, Israel is actually dependent on the United States. In the military sphere, its armed forces, armed mainly with American weapons, are a factor contributing to constant tension in the region as a result of U.S. support. In the political sphere, Washington and Tel Aviv are pursuing parallel policy lines on the basis of a system of consultations outside the legally formalized system of American international obligations. At the same time, Israel represents an influential political factor within the United States: Working through the American Jewish community and its allies, it influences the process of foreign policymaking in Washington.

The activity of the Zionist lobby in Washington¹ contributes a great deal to the "uniqueness" of American-Israeli relations, guaranteeing their stability and continuity and smoothing out conflicts and temporary differences between the policy lines of the two states. The influence of Zionist circles within the Congress and the mass media and the myth of the "Jewish vote" give the Israeli Government substantial leverage in dealing with the U.S. administration. Renowned American correspondent K. Rowen wrote, for example, that "the Begin government apparently believes that if it displays enough nerve, it will get away with anything, especially if the Israeli lobby and Israeli propaganda in the United States do their job well."²

American Zionists played a key role in the seizure of power in Israel by Zionist circles and then made every effort to convince ruling circles in this state that they should throw in their lot with the United States.

Israel's privileged place in U.S. Middle East policy also stems from the fact that this country, in contrast to other states in the region, has firmly embraced the capitalist way of life and has a stable bourgeois regime. Ruling circles in Israel and the United States share a common class hatred for the USSR, other socialist

countries and the world workers and national liberation movement. Furthermore, the Zionist ruling clique in Israel has willingly offered Washington its services for anti-Soviet and anticommunist provocations.

The policy lines of the United States and Israel are parallel but not identical because Israeli interests are essentially confined to the Middle East while Washington regards its Middle East policy as only one element, although an important one, of its global policy line. The military and political domination of the region by Israel is Tel Aviv's main goal, but for Washington it is only one of the possible ways of maintaining and consolidating imperialist control over the Middle East. Furthermore, the United States has to consider not only Israel's wishes, but also the interests of its main imperialist partners, Western Europe and Japan, and Arab feudal and bourgeois circles in the countries of the Middle East.

The Zionist dogma that the Jewish community in various countries represents Israel's only reliable ally in the world has a tremendous effect on the position of the Israeli leadership. However, Tel Aviv has always had to seek the support of one or more imperialist powers to back up its own aggressive plans. After flirting briefly with England and France, Israel settled on the United States in the second half of the 1960's. Without the economic and political assistance of the United States, Israel would be unable to continue pursuing its aggressive policy.

As L. I. Brezhnev stressed, "the Israeli aggressors are becoming more insolent because they know that they are fully supported by their overseas patrons."³

American-Israeli Economic Relations

Trade relations with Israel are of no great importance to the United States. Despite their noticeable growth in the 1970's, they account for less than 1 percent of all American foreign trade. The limited nature of the Israeli domestic market will keep Israel from becoming a serious foreign trade partner of the United States within the foreseeable future, particularly in view of the huge market of the Arab countries. American exports to Israel in 1980 totaled 1.5 billion dollars and imports were around 1 billion. Furthermore, Israeli imports from the United States are largely financed by American government loans.

The economic development and even the very existence of the State of Israel have always depended on a colossal flow of capital from abroad. According to a report published in New York in 1978, "Israel and American Jewish Interaction," during the 30 years of Israel's existence the flow of foreign capital into this country has amounted to the colossal sum of 31 billion dollars. Approximately 9 billion came from the American Jewish community. The main instrument for the collection of money for Israel is the United Jewish Appeal (UJA). Each year Israel receives more than 300 million dollars through this channel. Besides this, a total of around 50 million dollars a year is collected by organizations of "friends" of Israeli universities and other institutions.⁴ All of these contributions are exempt from federal taxes in the United States and essentially represent covert channels of government aid to Israel. Israel's foreign loans totaled 4.2 billion dollars between 1951 and 1978, and it floated 3.478 billion of this amount in the United States.⁵ Private American capital investments in Israel are considerably surpassed by non-refundable contributions. In 1977 they totaled 1.5 billion dollars.⁶

Prior to the Six-Day War of 1967, and even up to the time of the October War of 1973, U.S. state aid to Israel did not play a leading role in Tel Aviv's budget. The military failures of 1973 not only dispelled the myth of Israel's invulnerability but also made this state's economy completely dependent on Washington. Since that time, American aid to Tel Aviv has constantly amounted to around 2 billion dollars a year, and there has been a constant proportional increase in non-refundable allocations and a decrease in credit.

Israel ranks absolutely highest in terms of total aid received from the United States and in terms of per capita aid received. Funds allocated to Tel Aviv in fiscal years 1949-1982 totaled 23 billion dollars, and the Export-Import Bank extended Israel an additional 577 million dollars between 1949 and 1979. During fiscal year 1981 alone, per capita U.S. aid in Israel was 515.6 dollars, while the figure for Egypt was 35.3 dollars and the figure for the Yemen Arab Republic was 3.2 dollars.⁷ Payments on American loans are a heavy burden on the Israeli economy, totaling 2.7 billion dollars between 1949 and 1979.⁸ Between 1981 and 1990 Tel Aviv will pay the United States 4.5 billion dollars just in interest on military credit.⁹ Around 40 percent of Israel's huge foreign debt, which is almost equivalent to this state's gross national product, is owed to the United States. Furthermore, Israel's payments on its debts to Washington in fiscal year 1981 were virtually equivalent to all of the economic aid received by Tel Aviv from the United States. Therefore, economic dependence on the United States is not contributing to the vitality of the Israeli economy. In 1980 it broke two "records": for inflation--133 percent--and for per capita foreign indebtedness--4,500 dollars.

A speaker at the 19th Congress of the Communist Party of Israel in February 1981 remarked that the main reason for the crisis in the Israeli economy is "military spending, including the cost of colonizing occupied territories."¹⁰

The United States and the Machinery of Israeli Aggression

American arms transfers played the main role in the creation of Israel's modern military machine. In the 1970's Israeli imports of American weapons were surpassed only by the imports of Saudi Arabia and the shah's Iran.

After October 1973, Washington essentially took on the function of funding the huge slice of the Israeli military budget used for arms purchases and let Tel Aviv take care of its day-to-day expenditures on the maintenance of the armed forces. Between 1975 and 1980, Washington added a billion dollars to the 3-4 billion Israel spends annually on military needs. Half of the additional sum was allocated in the form of non-refundable aid, and the other half was credit. Besides this, Washington is compensating Tel Aviv to some degree for the inflationary rise of military equipment prices (for example, the cost of the M-60 tank rose from 565,000 dollars in 1977 to 1.39 million in 1979)¹¹ by increasing military aid in 1981 to 1.4 billion dollars to "reward" Israel for increasing its military expenditures to 5.4 billion dollars that year.¹² Therefore, the ratio of American military aid to Israel's own military budget has been kept at around 1:3.

Finally, by taking on the expense of building two airfields in the Negev Desert, the United States actually assumed the responsibility of supplying and, to some extent, deploying Israeli armed forces.

The military machine created by the Zionist ruling clique in Israel is obviously inconsistent with the economic capabilities of this state. A country with a population of 3.7 million (600,000 of the inhabitants are Arab citizens with limited rights) is maintaining a standing army of 169,000 and can mobilize 252,000 reserve personnel within 24-48 hours. According to the estimates of Professor G. Kemp, who is now the National Security Council staff member in charge of Middle East affairs, Israel's mobilization resources consist of 450,000 individuals, who could make up 14 divisional groups, and most of these would be armored divisions. The weapons of the Israeli Army include 3,175 tanks, 4,700 armored personnel carriers, 1,200 heavy-caliber guns and 620 combat planes.¹³

Besides this, Israel has a developed military industry, which is now producing not only firearms but also modern tanks, fighter bombers and guided-missile ships. As FORTUNE magazine noted, the Israeli military-industrial complex is headed by a company called Israel Aviation Industries. This firm, founded by American citizen A. Schwimmer, "often obtains technology through joint enterprises with American companies."¹⁴ Israeli weapon merchants began to compete successfully with American firms in the 1970's because production costs are 40 percent lower in Israel than in the United States.¹⁵ By 1979 Israel was exporting 750 million dollars' worth of weapons, and the figure rose to 1.3 billion in 1980.¹⁶ Israel sends weapons to more than 40 countries, most of them states with repressive pro-American regimes. In the past it sent weapons to monarchic Ethiopia, the shah's Iran, Somoza's Nicaragua, Taiwan, Chile, South Africa, Guatemala and El Salvador.¹⁷ This is often convenient for the United States because it camouflages Washington's support of dictatorships. Between 1972 and 1977, for example, 81 percent of all weapon shipments sent to the Salvadoran junta came from Israel.¹⁸ The Reagan Administration announced that it does not intend to prevent Tel Aviv from exporting weapons.

U.S. Private and Government Arms Sales to Israel,
in millions of dollars

| <u>Years</u> | <u>Total</u> | <u>Government contracts</u> | <u>Private contracts</u> |
|--------------|--------------|-----------------------------|--------------------------|
| 1950-1970 | 654.1 | 581.2 | 72.9 |
| 1971 | 337.1 | 300.5 | 37.2 |
| 1972 | 485.7 | 399.8 | 85.9 |
| 1973 | 183.0 | 162.5 | 21.5 |
| 1974 | 2,500.7 | 2,450.6 | 50.1 |
| 1975 | 875.0 | 828.3 | 46.7 |
| 1976 | 1,169.5 | 979.5 | 190.0 |
| 1977 | 724.6 | 503.0 | 221.6 |
| 1978 | 1,090.3 | 867.3 | 123.0 |
| 1979 | 1,146.4 | 987.8 | 158.6 |
| 1980 | 562.2 | 290.4 | 271.8 |
| 1981* | 850.0 | 600.0 | 250.0 |
| 1982* | 1,300.0 | 1,000.0 | 300.0 |

* Administration request.

"Foreign Military Sales 1950-1977," Wash., 1977; "'U.S. Security Interests in the Persian Gulf,' Report to the Committee on Foreign Affairs, U.S. House of Representatives, March 16, 1981," Wash., 1981, p 81.

According to the U.S. State Department, Israel can satisfy around 40-50 percent of its own demand for modern weapons and ammunition. In a report prepared for the U.S. Congress in 1980, G. Kemp wrote that Israel had stockpiled enough weapons to conduct military actions, equivalent in intensity to the battles of October 1973, for 21-28 days without any additional shipments.¹⁹

There is a great deal of evidence that Israel is capable of producing nuclear weapons. Furthermore, the press in the United States and other Western countries has reported that Israel has 10-20 atomic bombs and the means of their delivery. Although the Israeli Government has refused to confirm this fact officially, the nuclear factor plays an important role in the assessment of Israel's military potential. According to many, the Israeli leaders are prepared to resort to nuclear weapons "in critical situations."²⁰ To some degree, Israel's accumulated military potential explains the willingness and ability of the Israeli leadership to use tactics which sometimes diverge in some respects from Washington's policy line, particularly after M. Begin, leader of the extreme Zionist Right, took office. Pro-Zionist groups in the United States are taking every opportunity to suggest that Israel's military "independence" has made the American administration unable to exert pressure on Tel Aviv. American ruling circles are also making use of this story, particularly in relations with the Arab world, portraying Washington as something just short of the victim of Israeli blackmail. Besides this, American propaganda often argues that Washington's reinforcement of Tel Aviv's military potential was supposedly intended to encourage the Israeli Government to make political concessions to the Arabs, because only a "strong Israel" could agree to such concessions.

But no one really believes the story that Israel is "independent" of the United States. American aid to Israel through government and other channels has acquired such dimensions that the Israeli economy would collapse within 3-6 months without it. The reinforcement of Israel's military potential has been accompanied by Tel Aviv's increased economic dependence on Washington. On the whole, in comparison to the services performed for American imperialism by the Israeli Zionists, the scales of real U.S. aid to Israel are such that Tel Aviv is still a "cheap" ally for Washington. A statement by Director T. Dine of the American Israeli Public Affairs Committee (AIPAC) to the congressional Subcommittee on Europe and the Middle East on 23 March 1981 indicates the specific services Israel could perform for the United States: "The United States can rely on Israel as a regional deployment base, a supply route between Europe and Asia, a refueling station and a tactical support and repair base. Israel has some of the most modern tactical air bases in the world and two more are now being built in the Negev Desert with the help of the United States. Other bases in the Sinai--Etsion, Eitam and Sharm el Sheikh--will be transferred to Egypt in 1982, but they will probably, as Secretary of State Haig and the President have noted, become American troop deployment sites in the future. Israel also has deep-sea ports in the Mediterranean and Red Seas. The port of Haifa is now being used by ships of the American Sixth Fleet for fueling operations and for the rest and recreation of personnel. Israeli ports and air bases can service and repair virtually any type of tactical aviation or warship owned by the United States."²¹

American-Israeli cooperation in the sphere of intelligence, which began in the 1950's, plays an important role. "Israel always shares its intelligence with the

United States and other states. For example...it shares information it obtains about the Soviet fleet in the East Mediterranean and information about the Iraq-Iran war," T. Dine said.²² According to a man who played a prominent role in the Republican campaign in 1980, J. Churba, who once worked for the American Navy's intelligence service and is now the director of the Center for International Security in Washington, "Israel's intelligence system gives the United States the kind of advantage the Americans need in each country and in each ethnic group in the Middle East. Israel, with its system for the collection and assessment of intelligence on the local level, is the best source of reliable military and political information in the region."²³ In March 1981 the AIPAC distributed a memo to members of the Congress and the administration, stressing the need to supplement Israel's intelligence capabilities with electronic equipment.²⁴

The Political Framework of the U.S.-Israeli Alliance

The unilateral U.S. assumption of "obligations" to Israel was the main factor in the formation of the American-Israeli alliance. These obligations are mentioned in a number of resolutions of the American Congress and in statements by American presidents, from Harry Truman to Ronald Reagan. Although these "obligations" are fairly vague and cannot be compared to treaties on the constitutional level, Washington has used them as its main pretext to justify its support of Israel's aggressive policy.

At the same time, the American-Israeli alliance is unique because the two countries do not have any formal military and political agreements of the treaty type.

This is the only alliance in the system of U.S. imperialist alliances which has not been recorded in a bilateral or multilateral treaty, such as, for example, the North Atlantic Treaty. Former Israeli Minister of Foreign Affairs A. Eban writes about how "alliance evolved into tradition" in American-Israeli relations: "This partnership was never recorded in official documents, but its stability has been impressive."²⁵

It is true that the Israeli Government has made attempts to conclude a "mutual security treaty" with the United States, particularly at the time of the Eisenhower and Kennedy administrations. Washington officials decided against this, however, in the belief that open military alliance with the Israeli Zionists would strengthen anti-American feelings in the Arab world. Of course, this did not mean that Washington refused to cooperate with Tel Aviv, but that an unofficial alliance with Israel gave the United States much more freedom to maneuver: It could use Israel's actions in its own interest without taking any responsibility for them. Furthermore, this kind of relationship turned out to be convenient for the ruling elite in Israel too: Without being bound by rigid official obligations to Washington, Tel Aviv has a chance to enjoy all of the "blessings" of a military and political alliance with the main power center of international imperialism but has retained a certain degree of independence in its relations with its senior partner.

The American-Israeli alliance is built on a functional foundation, and the solidity of this foundation is not ensured by treaty obligations, but by the parallel interests of ruling circles in both countries in the struggle against forces for socialism and national liberation. The machinery of the functional cooperation

between Washington and Tel Aviv is not inferior, and is even superior in some cases, to the United States' bilateral relations with its "treaty" allies. It includes a system of regular (four or five times a year) summit meetings, regular contacts between foreign and defense ministers and the heads of other departments and a close working relationship between the Israeli Embassy and various federal agencies in Washington.

A 1952 document, an agreement on assistance for the mutual consolidation of security, which authorized Israel to receive American economic and military aid, laid the legal basis for the American-Israeli alliance. It formally requires Israel to use the weapons it receives only for defensive purposes and to offer American armed forces the use of its territory and every type of assistance if the need arises to safeguard U.S. security. The agreement also stipulates the mutual obligation of the sides to refrain from political activity within one another's territory (in essence, this should prohibit the Zionist lobby's activity in the United States). This provision, however, has never been enforced.

One of the distinctive features of American-Israeli relations in the 1970's was the signing of several memoranda recording the specific level of military and political interaction by Washington and Tel Aviv and the specific U.S. obligations to offer Israel economic and military assistance and coordinate diplomatic positions in the process of Middle East regulation.

American-Israeli relations are now defined in agreements signed after the separate Israeli-Egyptian "peace treaty" was engineered by the United States in March 1979. It is no secret that this treaty was essentially an attempt to put together a reactionary bloc consisting of American imperialism, Israeli Zionists and Arab reactionaries to fight against the national liberation movement and the heightened prestige of the USSR in the region. In accordance with these agreements, Washington also took on a number of obligations which considerably raised the level of the U.S.-Israeli military and political alliance. This is attested to by the nine-point memorandum on the U.S.-Israeli intergovernmental agreement, which was signed in March 1979 by Secretary of State C. Vance and Israeli Minister of Foreign Affairs M. Dayan. According to this document, "the United States will take the necessary measures to guarantee the complete fulfillment of the treaty" between Egypt and Israel, including "diplomatic, economic and military measures."²⁶

Point 3 is particularly significant; "The United States will offer the support it deems necessary for actions taken by Israel in response to confirmed violations of the peace treaty. In particular, if the violation of the peace treaty poses a threat to Israel's security, including, among other possible violations, a blockade to keep Israel from using international waterways, a violation of the peace treaty provisions regarding troop limitations or an armed invasion of Israel, the United States will be prepared to immediately consider such measures as the augmentation of U.S. presence in the region, the transfer of emergency supplies to Israel and the exercise of its own shipping rights to put an end to these violations." In view of the fact that similar agreements were not concluded with Egypt, the statement above can actually be interpreted as a military alliance against Egypt, which is viewed as a potential violator of the separate treaty.

According to Point 5, "the United States will oppose and, if necessary, vote against any UN action or resolution which, in the opinion of the United States, could have a negative effect on the peace treaty." The United States pledges to give Israel military and economic assistance (Point 6) and Washington also promises Tel Aviv that it will not allow unauthorized transfers of American weapons by recipients to third countries, and that "the United States will not supply weapons or authorize transfers of weapons to be used in armed attacks on Israel and will take steps to prevent unauthorized transfers of this kind" (Point 7). Israel is therefore given a guarantee that American weapons sent to, for example, Saudi Arabia or Egypt, will not be transferred to Israel's opponents.

Finally, Point 8 reaffirms earlier American-Israeli agreements, including the anti-Soviet provisions of the memorandum of 1 September 1975.

Therefore, the absence of an official "treaty on mutual security safeguards" has not inhibited the development of a real American-Israeli military and political alliance. It is also noteworthy, however, that many of the "obligations" taken on by the United States are not automatic and allow for their fulfillment (or non-fulfillment) in accordance with the United States' own interpretation of these obligations.

The Reagan Administration and the Begin Government

The present heads of the American foreign policy establishment have said that the main objective in their approach to the Middle East is the construction of an anti-Soviet bloc under the guise of the "strategic consensus" uniting Israel with conservative Arab regimes. Washington officials have announced that the Arab-Israeli conflict is only of secondary importance in comparison to the notorious "Soviet threat." Israel, on the other hand, is regarded as the United States' most reliable ally in the Middle East. As Ronald Reagan stressed in an interview, "this is a country which shares our ideals, has trained troops which have met the test of combat and represents a force which gives us a real advantage in the Middle East. This is why the support of Israel is our primary moral obligation."²⁷

The Republican administration has not concealed its pro-Israeli inclinations. Its leaders have stated that they regard the Jewish settlements created by Israel in occupied Arab territories as "legal" communities, have called the PLO a "terrorist organization" and have recognized Israel's "right" to persecute Palestinians in Lebanon.

On 18 March, Alexander Haig described the Reagan Administration's approach to Israel to the House Foreign Affairs Committee, saying: "The safeguarding of Israel's security is still one of the United States' main concerns and an unconditional American commitment. We are fully determined to guarantee that Israel retains its military capability to counter the attacks of hostile forces. Furthermore, we admit Israel's importance in our own current regional strategy. Israel represents an important factor of deterrence in the region and certainly could play one of the main roles in counteracting more serious dangers involving the USSR."²⁸

The stronger pro-Israel tone of U.S. policy in the Middle East has not eliminated American-Israeli conflicts, however. The Carter Administration was already experiencing some difficulty in relations with the Begin government, which was not always willing to adhere to the tactical line of its American patron.²⁹ The present Israeli leadership has refused to make even the slightest "concessions" and has thereby complicated U.S. diplomatic maneuvers. Begin's obstinacy stems from the Zionist ruling elite's desire to preserve Israel's status as the main partner of the United States in the Middle East and to turn Israel into a kind of sub-imperialist power in the region. Officials in Tel Aviv are afraid that U.S. economic interests might motivate Washington to strengthen its influence in the Arab world by restricting the Zionists' expansionist ambitions. To avoid this, the Israeli ruling elite has taken "harsh measures" whenever there has been any suspicion that the United States might stop supporting Israel 100-percent.

There is no question that Washington officials would prefer to have more obliging people in power in Israel than M. Begin, the leader of the extremely chauvinistic Zionist Likud bloc. Right up to the time of the elections in Israel (in June 1981), the Reagan Administration did not make any serious moves in its Middle East policy because it wanted to first learn the outcome of the elections. At that time, the American-Israeli "strategic consultations" which had been broken off the year before by the Carter Administration were resumed when Israeli Foreign Minister Y. Shamir visited the United States in February and Secretary of State A. Haig went to Israel in April 1981.

On 7 June 1981 Israeli aviation conducted a completely unprovoked attack on an Iraqi nuclear reactor near Baghdad. According to official data, eight F-16 bombers, accompanied by six F-15 fighter planes, were used in the raid. In an obvious attempt to use this action to enhance his popularity during the campaign, Begin did not try to cover up the action and even turned it into a propaganda device.

The Reagan Administration was in an extremely difficult position. The NEW YORK TIMES reported: "There are differing opinions in the administration. Some officials have secretly applauded the bravado and effectiveness of the Israeli air raid.... Others say that broader American interests are at stake and that Israel's action...could harm the long-range strategy of the U.S. Government."³⁰

Extremely influential circles in the United States expressed displeasure with Israel's action. "The worst thing is the Begin government's inclination to treat the United States with undisguised contempt," J. Kraft wrote in a WASHINGTON POST article. In his words, "the Reagan Administration has done nothing to warrant this kind of treatment. It has supported Israel's goals in the Middle East and in the United Nations. It has displayed more goodwill toward Israel than the majority of the U.S. population. Therefore, Begin's shabby treatment of Washington at this time is a clear show of defiance."³¹

The Reagan Administration had to resort to all sorts of tricks to dissociate itself from the Israeli action. After 2 days of debates in the White House, Haig sent Chairman C. Percy of the Senate Foreign Relations Committee a letter, "with the personal approval of the President," in which he remarked that "this might have been a serious violation of the 1952 agreement"³² in accordance with which Israel can use American weapons only in self-defense. Washington first made an

effort, however, to block the adoption of measures against the Israeli aggressors by the Security Council. The White House gave J. Kirkpatrick, American representative to the United Nations, "precise instructions," envisaging the Security Council's adoption of a resolution which "will not cut the United States off from the Arab world but will not harm Israel either."³³

According to reports in the press, in a letter the U.S. secretary of state sent to the prime minister of Israel after the attack on the Iraqi nuclear center, he tried to "impose some kind of consultative procedure on Israel" to give Washington direct control over the use of American equipment by Israel and "give the United States the right to vote on the definitions of the offensive and defensive uses of this equipment." Although Begin expressed "categorical objections" to Haig's demand, the American side raised the question again when State Department legal counsel R. MacFarlane met with M. Begin in July 1981. Once again, the Israeli prime minister turned down the U.S. proposal that Israel inform the United States of the projected use of American weapons, at least in some situations, so that the United States would not be put in an awkward position.³⁴

Although the Likud bloc did not win the parliamentary elections by a landslide, Begin's self-confidence continued to grow. Tel Aviv began its long-planned military escalation in Lebanon. Again, just as in 1978, Israel used American military equipment on a mass scale against states having normal diplomatic relations with the United States, which is prohibited by American legislation on weapon sales. Under these conditions, the President had to announce his decision to temporarily stop sending planes to Israel. The American delegation in the United Nations supported the Security Council resolution on a cease-fire in Lebanon. At the same time, frank appeals were heard in the United States for the reassessment of relations with Tel Aviv and the cessation of the situation in which, in American political jargon, the "tail wags the dog."

The White House did not support this approach, however. Reagan did not allow his staff members to criticize Israel. The U.S. ambassador to Saudi Arabia, R. Newman, had to resign because of his disagreement with the White House line.

Nevertheless, Reagan was unable to obtain Begin's consent to stop the Zionist lobby's opposition to the sale of the AWACS system to Saudi Arabia. The White House had to mobilize all of its forces by creating a special interdepartmental group, headed by National Security Adviser R. Allen, to win Senate approval of the transaction.

The President's own prestige was at stake. The Israeli Government and Zionist lobby were trying to obtain something like veto power over the administration's Middle East policy. Besides this, the Democratic Party saw this as a convenient excuse to attack the Republican administration. The House of Representatives condemned the sale of AWACS planes by a vote of 301 to 111. It was only after the administration had mobilized all of its forces that it was able to push the deal through the Senate, where the senators approved it by a vote of 52 to 48. During this process, the President took the unprecedented step of publicly opposing Tel Aviv's "interference in U.S. domestic affairs."

The death of A. Sadat proved to Washington that its Arab partners were "unreliable" and underscored Israel's importance in American policy in the Middle East. Under these conditions, the Reagan Administration decided to raise the level of military and political cooperation with Israel without waiting until the tactical differences with the Begin government had been overcome. When the American President and the Israeli prime minister met in Washington in September 1981, the two sides were already openly declaring their intention to develop "strategic cooperation." It is true that the matter did not go as far as the signing of a treaty, which would have finally formalized the Washington-Tel Aviv alliance. An important step in this direction was taken on 30 November 1981, however, when the defense ministers of both states signed a memorandum on mutual understanding in the area of strategic cooperation.

People in Washington tried to deny the significance of this memo. For example, the WASHINGTON POST called it a "calculated gesture by the administration to calm Israel's nerves and satisfy Begin's political needs after the sale of the AWACS planes to Saudi Arabia. This is something like a consolation prize: The Saudis got AWACS and Israel got a new sheaf of papers."³⁵

In fact, however, the purpose of the memo is to establish Israel as a military ally of the United States. A coordinating council with extensive powers will be set up in accordance with the document. It will concern itself with such matters as the organization of joint air force, naval and ground maneuvers, shipments of weapons to Israel, the deployment of weapons in Israel for the American "rapid deployment force," etc. The American-Israeli agreement is of an overtly anti-Soviet nature, and its signatories have not even tried to conceal this. Furthermore, on the pretext of combating the "Soviet threat," Tel Aviv has agreed to place Israeli armed forces at Washington's disposal. Although the two sides declared that the agreement is supposedly not directed against other states in the Middle East, it is absolutely clear that Israel has been assigned the role of a bridgehead for aggressive actions by American imperialism in this part of the world.

It is also noteworthy that the memorandum was signed after Israel agreed to the American demand that troops from the Western European countries be included in the "multinational force" in the Sinai, created in accordance with the Camp David agreements. Therefore, the reinforcement of the American-Israeli alliance turned out to be connected with Washington's plans to deploy U.S. troops and the troops of other NATO countries in the Middle East. In this way, conditions are being set up for the integration of the "special" American-Israeli relationship within the system of imperialist military blocs. It was no coincidence that France's LE MONDE reported on 2 December 1981 that the American-Israeli memorandum "reinforces the belief that more and more of Tel Aviv's policy is being made in the United States."

Influential opposition forces in Israel, including former Prime Minister Y. Rabin, objected to the memo. The critics of the agreement pointed out the fact that it would attach Israel even more closely to the U.S. war chariot and "not only will not strengthen Israel's security but will even put it in a dangerous position."³⁶ The government had a great deal of trouble in winning the Knesset's approval of the memorandum.

The present Israeli leadership, headed by M. Begin and A. Sharon, hopes to use the "strategic consensus" with the United States to perpetuate the occupation of the territories it has seized and for new aggressive actions against the Arabs. For the sake of its own expansionist aims, the Zionist ruling elite is willing for Israel to continue serving as imperialism's policeman in the Middle East.

"The so-called 'strategic cooperation' between the United States and Israel will bring the Arabs bloodshed, destruction and grief," L. I. Brezhnev said.³⁷

The agreement between the Reagan Administration and the Begin government not only confirms the imperialist nature of the Washington-Tel Aviv military and political alliance but also testifies to the beginning of a new stage in its development, which will be extremely dangerous for the people of the Middle East and for the cause of peace throughout the world. This was corroborated by the Israeli Knesset's insolent decision to annex the Israeli-occupied Syrian Golan Heights, a decision which was made almost immediately after the signing of the American-Israeli memorandum.

FOOTNOTES

1. For more detail, see N. V., "The Carter Administration and the Zionist Lobby," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 10, 1980.
2. THE WASHINGTON STAR, 13 June 1981.
3. PRAVDA, 28 October 1981.
4. "Israel and American Jewish Interaction," Report of an International Task Force, The American Jewish Committee, N.Y., 1978, pp 27, 29.
5. "American Jewish Year Book 1978," N.Y., 1978, p 182; "American Jewish Year Book 1980," N.Y., 1980, p 153.
6. A. Lilienthal, "The Zionist Connection," N.Y., 1978, p 763.
7. "Foreign Assistance Legislation for Fiscal Year 1981," Hearings, Wash., 1981, p 35.
8. "U.S. Overseas Loans and Grants, July 1, 1945-September 30, 1979," Wash., 1979, p 19.
9. "Security Assistance Program. FY 1982," Congressional Presentation, Wash., 1981, p 120.
10. PROBLEMY MIRA I SOTSIALIZMA, No 7, 1981, p 41.
11. "'Foreign Assistance Legislation for FY 1981 (pt 3),' Hearings Before the Committee on Foreign Relations, U.S. Senate, April 25, 1980," Wash., 1980, p 25.

12. TIME, 18 May 1981, p 38.
13. "'The Political Economy of the Middle East,' A Compendium of Papers Submitted to the Joint Economic Committee, U.S. Congress, April 21, 1980," Wash., 1980, pp 426-427.
14. FORTUNE, 13 March 1978, p 73.
15. Ibid.
16. THE JEWISH WEEK, 7 December 1980.
17. "'Foreign Assistance Legislation for Fiscal Year 1979 (pt 5),' Hearings Before the Subcommittee on Europe and the Middle East, House of Representatives, February 6, 8, 15, 28, March 1, 6, 13, 16, 1978," Wash., 1978, p 224.
18. OLITICAL FOCUS, 1 November 1980.
19. "The Political Economy of the Middle East," p 434.
20. For more detail, see V. F. Davydov, "Tel Aviv's Nuclear Lust and Washington," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1981--Editor's note.
21. "Statement by T. A. Dine, Executive Director, American Israeli Public Affairs Committee, Before the Subcommittee on Europe and the Middle East, March 25, 1981," pp 4-5.
22. Ibid., p 8.
23. ORBIS, Summer 1980, p 360.
24. THE NEW YORK TIMES, 4 April 1981.
25. A. Eban, "An Autobiography," N.Y., 1977, p 161.
26. "'Search for Peace in the Middle East. Documents and Statement, 1967-1979,' Report Prepared for the Subcommittee on Europe and the Middle East," Wash., 1979, pp 55-57.
27. THE NEW YORK TIMES, 3 February 1981.
28. "Statement of A. Haig, March 18, 1981," Wash., 1981, p 9.
29. E. Weizman, "The Battle for Peace," N.Y., 1981, pp 364-366.
30. THE NEW YORK TIMES, 11 June 1981.
31. THE WASHINGTON POST, 12 June 1981.
32. Ibid., 13 June 1981.

33. MIDDLE EAST INTERNATIONAL, 4 July 1981.

34. THE WASHINGTON POST, 12, 16 July 1981.

35. Ibid., 2 December 1981.

36. Ibid., 3 December 1981.

37. PRAVDA, 28 October 1981.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

UNITED STATES MILITARY BUILD-UP IN THE INDIAN OCEAN

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 46-56

[Article by V. P. Kozin: "Augmentation of American Military Presence in the Indian Ocean"]

[Text] The escalation of international tension as a result of militaristic U.S. policy is directly affecting such a vast part of the world as the Indian Ocean basin, which covers an area of more than 100 million square kilometers (around one-fifth of the planet) if the territory of the more than 40 states located here is included in this area along with the expanses of the ocean with its seas and inlets.

The facts testify that the Reagan Administration is substantiating its own military preparations in the Near and Middle East, the Indian Ocean and the Persian Gulf with the aid of the "Carter Doctrine," which was announced in January 1980 and which envisaged the use of military force to protect American "vital interests." However, the new administration is backing this doctrine up with a more powerful military arsenal. It was no coincidence that U.S. NEWS AND WORLD REPORT, a magazine close to the State Department and the Pentagon, predicted at the end of 1980, or a month before the change of administrations, that President Reagan would "move faster and further than Carter to strengthen American military presence in this region with U.S. ground forces to guarantee constant access to oil in the Persian Gulf."¹ Just 2 months after the Republicans took office, TIME magazine ascertained that Washington intended to "actually threaten the use of fists."²

The present administration is stressing the need to plan broad-scale military actions. The concept of "one and a half wars," which was subscribed to by the Nixon, Ford and Carter administrations, has been discarded and, according to the new military strategy, the United States and its closest allies could fight "two major wars"--presumably in Europe and the Middle East (or in any other region that might arbitrarily be declared a zone of U.S. "vital interests").³

In accordance with the "defense reinforcement plan" submitted to Congress by Secretary of Defense Weinberger and in accordance with the President's orders for a "massive build-up of military strength" in the Indian Ocean basin and Southeast Asia, the Pentagon plans to "expand and step up" Carter's efforts to acquire military support points near oilfields in the Persian Gulf and create "rapid deployment forces" to provide the region with a "convincing military presence."⁴ When General E. Meyer, U.S. Army chief of staff, addressed the House Armed Services Committee,

he stressed the need to "guarantee free access to the natural resources of the Middle East and Persian Gulf," advocating the constant presence of U.S. ground forces in "this important economic, political and strategic region of the world." General D. Jones, chairman of the Joint Chiefs of Staff, also confirmed that the United States intends to have sizeable contingents of armed forces permanently stationed in this region.⁵

The United States is using more than just the "Carter Doctrine" or various clever terms, such as the "crescent of crisis" which supposedly stretches along the Afro-Asian coastline of the Indian Ocean, as theoretical grounds for its military preparations in the Indian Ocean basin. It is also making active use of the thesis that American interests in the region must be protected against a "double threat": the "absence of regional stability" and the "potential Soviet threat." On this basis, the Reagan Administration is arguing the need for "double opposition."⁶ By this, Washington means large-scale military operations involving, in one case, sizeable U.S. military contingents and, in the second case, interaction by the united armed forces of several states in the region, for which purpose regional military and political groups are to be created in the Indian Ocean basin, with the United States prepared to take on a significant role in these groups. Washington's propaganda machine is constantly stressing the importance of participation by the Indian Ocean states in the "double opposition" to the "Soviet threat." These statements are backed up by the concept of a "strategic consensus" in the region, which essentially consists in the redistribution of the "burden of responsibility" in the sphere of military activity in the Indian Ocean basin and in the Near and Middle East among the states located here, including Turkey, Pakistan, Egypt, Israel, Kenya, Oman, Somalia and Saudi Arabia, and involving them in Washington's efforts to "safeguard regional security."

Judging by all indications, the Reagan Administration has already put together a new "Asian doctrine." According to U.S. NEWS AND WORLD REPORT, it has three central elements: the creation of a "broad group of friendly countries" (including the Indian Ocean states of Indonesia, Thailand and Malaysia), the offer of military aid to the United States' allies in Southeast Asia and, finally, the deployment of "large U.S. naval forces in the Indian Ocean on a permanent basis without weakening the Pacific Fleet."⁷

The United States is striving to establish itself permanently on the territory of sovereign states in the region by winning access to their military facilities. Washington is not even trying to conceal the fact that these military installations, ports and airfields, could also be used as spring-boards for the transfer of American interventionist units for intervention in the internal affairs of the Indian Ocean states. The Pentagon has been allocated 742.6 million dollars for the modernization and enlargement of naval and air force bases in Egypt, Kenya, Oman, Somalia and on the island of Diego Garcia in fiscal year 1982 alone. The Reagan Administration's 5-year program for the consolidation of American military strength in the Indian Ocean basin and Southeast Asia, on the other hand, envisages the allocation of over 30 billion dollars for this purpose, including more than 2 billion earmarked for the Persian Gulf zone.⁸

According to this program, the U.S. base infrastructure in the region will represent a multileveled network of military bases, support points, weapon depots and

communications and administrative centers. Plans also call for the transformation of regional limited-purpose military facilities into huge multipurpose military strongholds whose functional sphere of activity will transcend regional boundaries. From these bases, American armed forces will be able to train their sights on the vast territory stretching from Africa to Australia and from Asia to the Antarctic. The United States is also attaching great strategic significance to straits in the Indian Ocean basin, hoping to use the territory of countries in this region to control the waterways leading to the ocean. According to MILITARY REVIEW, this can be done on the territory of 12 Indian Ocean states.⁹

These plans are already being carried out. Whereas Washington had 13 large military facilities in the Indian Ocean basin and Southeast Asia at the beginning of 1980, in 1981 it began to conduct its global base strategy and acquired "access" to another 21 military facilities and bases in several countries, including Australia, Egypt, Israel, Kenya, Somalia, Oman and Saudi Arabia. Therefore, the United States either owns or has access to more than 30 military bases in the region (see map), or one-fifth of all regional military facilities.

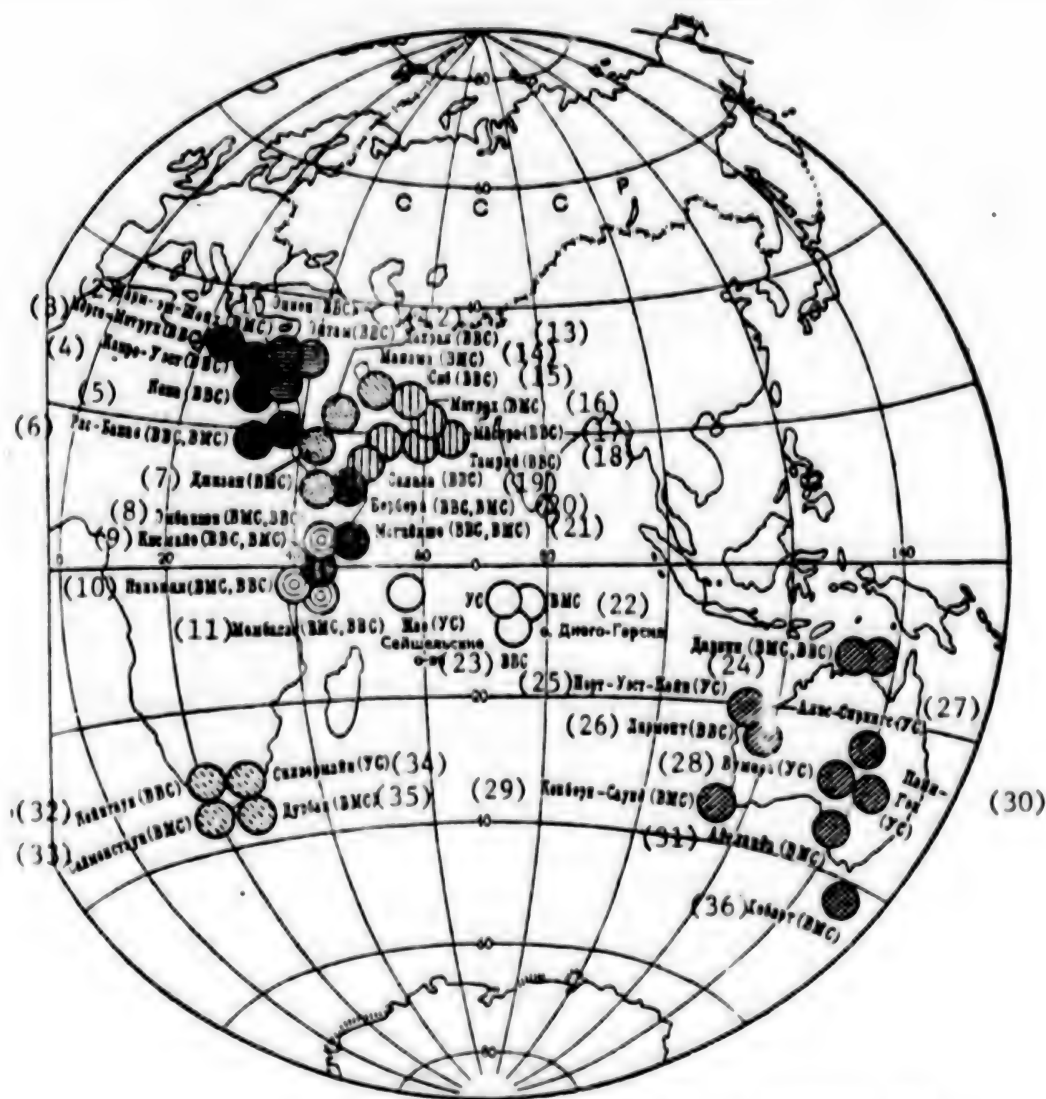
Even this number seems insufficient to the United States, however. According to NEWSWEEK, "Reagan's strategists are not satisfied with the agreements Carter concluded with Oman, Kenya and Somalia on 'limited access to military facilities in these countries,' and the Pentagon has already prepared a secret report on the need to conclude new agreements with a group of local countries on military bases."¹⁰

The region's largest combined U.S. naval and air force base on the island of Diego Garcia, seized by Great Britain from Mauritius, is still growing. In accordance with President Carter's memorandum 51, nuclear weapons have already been deployed here. In August 1981 the U.S. Navy signed a contract on the enlargement of military facilities on the island at a cost of 300 million dollars. This is only one-tenth of the sum which is to be invested in the creation of an even stronger U.S. military base on Diego Garcia in the next 5 years. The U.S. Department of Defense hopes to keep 130,000 tons of ammunition and spare parts on this base, or almost three times as much as today's warehouses will accommodate.

In addition to the military facilities it already possesses in Australia, the United States has been authorized by the Fraser government to use aviation located in the Indian Ocean zone and Australian airfields in Darwin and Learmonth. The Australian Sterling naval base in Cockburn Sound will supply the American fleet in the Indian Ocean with all necessary equipment, which now has to be shipped from the American Subic Bay Base in the Philippines.

Washington also intends to use Israeli air bases in Eilat and Ezion in the Sinai and the offshore anchorage in Sharm el Sheikh in the Gulf of Aqaba.

In Egypt the United States has access to the Cairo West and Qena air bases and the naval base in Ras Banas. The American press has estimated that a billion dollars could be allocated for the modernization of the base in Ras Banas before 1986. The Pentagon intends to use this base to store nuclear weapons and to use the base in Marsa Matruh to store chemical and bacteriological weapons. In the future, 18,000 American servicemen and B-52 bombers are to be stationed on the territory of the base in Ras Banas.



Bases on territory of:

| | | | |
|---|--------------|---|-------------------|
| ● | Egypt | ● | South Africa |
| ● | Saudi Arabia | ● | Israel |
| ● | Kenya | ● | Australia |
| ● | Oman | ● | Somalia |
| ● | Bahrein | ○ | Seychelles (Mahe) |

The Naval (designated on map as BMC), Air Force (BBC) and Military Communications (YC) Bases of the United States Armed Forces on the Territories of Indian Ocean Basin States

[Key on following page]

Key:

- | | |
|--------------------|----------------------|
| 1. Ezion | 19. Salala |
| 2. Sharm el Sheikh | 20. Berbera |
| 3. Marsa Matruh | 21. Mogadishu |
| 4. Cairo West | 22. Diego Garcia |
| 5. Qena | 23. Mahe, Seychelles |
| 6. Ras Banas | 24. Darwin |
| 7. Jizan | 25. North West Cape |
| 8. Embakasi | 26. Learmonth |
| 9. Kismayo | 27. Alice Springs |
| 10. Nanyuki | 28. Boomer |
| 11. Mombasa | 29. Cockburn Sound |
| 12. Eitam | 30. Pine Gap |
| 13. Dhahran | 31. Adelaide |
| 14. Manama | 32. Capetown |
| 15. Sib | 33. Simonstown |
| 16. Matrah | 34. Silvermine |
| 17. Masira | 35. Durban |
| 18. Tamridh | 36. Hobart |

The possibility of a new military treaty with Pakistan is being given serious consideration in the White House. According to the WASHINGTON POST, Pakistan has become "a Western stronghold on the Asian front."¹¹ The aims of this treaty are not being concealed either. It is intended to "protect American interests in the Persian Gulf zone." The Pentagon also has no objections to settling down in the ports of Karachi and Gwadar and the airfield near Peshawar.

Despite the official closure of U.S. bases in Thailand, American military advisers are still working on Thai bases.

Within the near future the American administration hopes to increase arms transfers by 25 percent and expand other forms of military aid to the ASEAN states (four of the five states making up this organization--Indonesia, Malaysia, Thailand and Singapore--are located in the Indian Ocean basin).

The Sudan (which has a Red Sea coastline) has expressed its willingness to offer the United States military bases on its territory. The former U.S. Air Force base in Dhahran (Saudi Arabia) is being re-equipped and will be used by the United States during its projected military actions in the Persian Gulf.

The danger of Washington's military and political schemes with bases in the Indian Ocean and Persian Gulf stems from the fact that these facilities, whether they are under national jurisdiction or belong completely to Washington, are bridgeheads for potential U.S. intervention in the internal affairs of states in the region, as attested to by recent events: The United States used military bases in Egypt and Oman in its diversionary operations against Iran in April 1980.

There is still a high level of U.S. naval presence near the coastlines of the Near and Middle East, southern Africa and the Indonesian Straits. Before Ronald Reagan was even inaugurated, the Pentagon announced that the American naval squadron would not be leaving the Indian Ocean. It still consists of around 30 ships, including

two attack aircraft carriers and one amphibious task force, missile cruisers, destroyers and submarines.¹² This force, with its nuclear weapons and around 200 aircraft on board the carriers, poses a real threat to regional and international security.

American advance depot vessels are located in the Indian Ocean to supply "rapid deployment forces" with weapons and ammunition. Whereas four U.S. aircraft carrier task forces entered the Indian Ocean in 1977-1978 (two each year), there were five in 1979 and ten in 1980. Within just the first 9 months of 1981, six American aircraft carrier forces entered this zone. In 1980-1981 there were five times as many U.S. naval ships in the Indian Ocean basin as in 1977-1978.

The U.S. Navy's Middle East task force in the Persian Gulf has increased from three to five vessels. The deployment efficiency of U.S. ships has been heightened, particularly in the case of the larger vessels. Dredging operations in the Suez Canal made it possible for American aircraft carriers of any tonnage to enter the Indian Ocean directly from the Mediterranean Sea, reducing the travel time from the Atlantic to the Indian Ocean by around a week.¹³ In May 1981 the 81,700-ton aircraft carrier "America" went through the Suez Canal for the first time. The creation of a separate and permanent U.S. fleet in the Indian Ocean is still being considered.

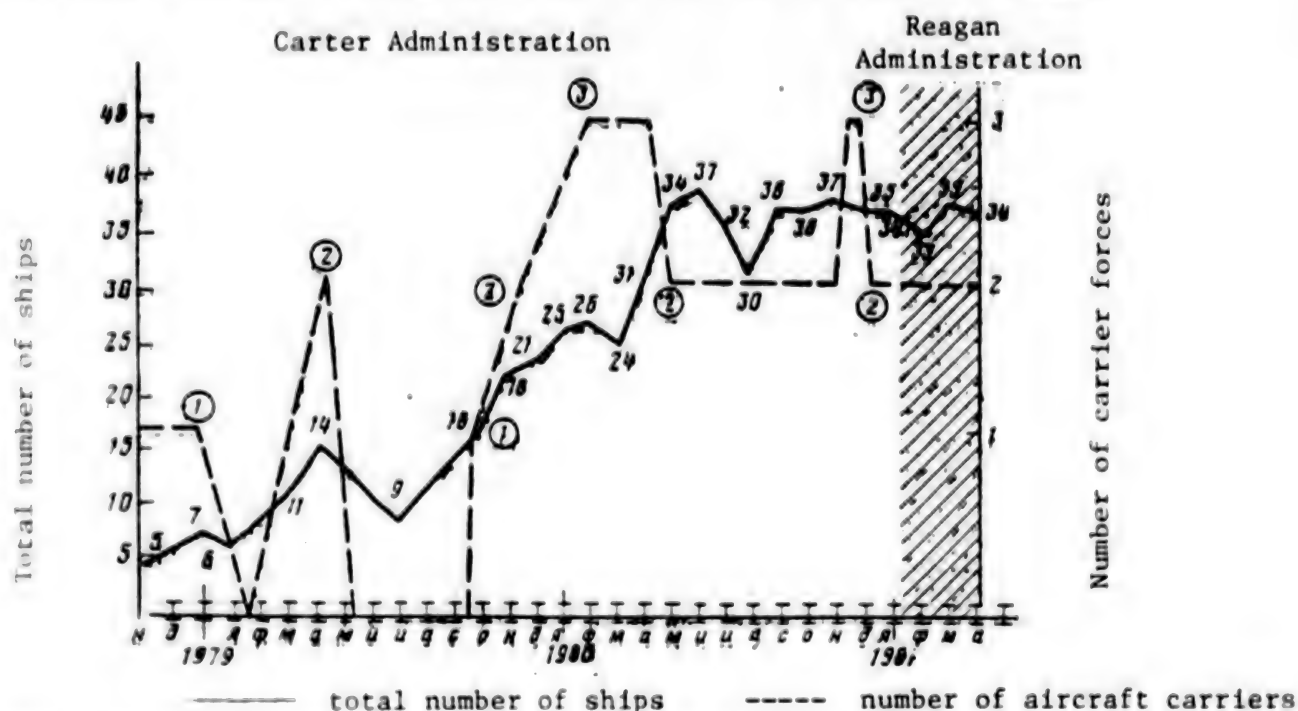
Soon after the Reagan Administration took office, an important change was made in general naval strategy, namely the emphasis on "global patrols in all oceans." An extended program of naval ship-building was approved and a number of reserve vessels were put back in action. The program envisages the construction of another two large attack aircraft carriers within the next 10 years, in addition to the carrier planned in the budget for fiscal year 1982. This means that the United States will be able to station carrier task forces on a permanent basis in the world's three largest oceans, including the Indian Ocean. Other large vessels will be built and brought out of reserve in accordance with Reagan's naval program. As a result, the number of U.S. naval ships will increase from 418 to 600 by 1990.¹⁴

American airborne forces in the Indian Ocean region are also being built up. Alternative plans for bombing targets here by means of carrier aviation and land-based aircraft are being considered. Besides this, a special squadron of B-52-H strategic bombers, a so-called strategic task force, is being established in the United States to bomb large oil deposits and waterways in the Persian Gulf zone within 36 hours after the planes take off from an airfield in North Dakota.¹⁵

The United States launched another geostationary spy satellite over the Indian Ocean in spring 1981 for the reconnaissance of the situation in the Indian Ocean and Persian Gulf. American planes equipped with the AWACS system are observing a huge part of the Persian Gulf zone from Saudi territory.

The Pentagon is now relying more on the "land factor" in its military presence in the Indian Ocean--that is, on the deployment of U.S. ground troops in Egypt, Israel, Oman and Saudi Arabia. According to high-level Pentagon spokesmen, the "rapid deployment force" can already be used "at any time and in any part of the world," but its main potential strike zone, as attested to by a map printed in the 16 March 1981 issue of NEWSWEEK magazine and depicting the scenario of U.S. armed intervention in the Persian Gulf, is the Persian Gulf zone. The number of men in the

"rapid deployment force," which was first set at 110,000, now exceeds 200,000. Furthermore, according to reports in the American press, more significance is being attached to their combat readiness than to the readiness of NATO units. The Pentagon has been allocated 2.5 billion dollars to equip this force.¹⁶ The operations of this force were already being perfected in the first half of 1981 in several maneuvers and training exercises in the United States and Egypt.



This diagram illustrates the presence of U.S. naval ships in the Indian Ocean zone during different periods depending on the military and political situation at the given time: The number of American warships increased each time there was increased tension in the region or whenever significant domestic political events occurred in any of these countries. For example, the number "peaked" at the end of 1978 (November and December) and the beginning of 1979 (January-May) in connection with the revolution in Iran and the armed conflict between the People's Democratic Republic of Yemen and the Yemen Arab Republic, at the end of 1979 and the beginning of 1980 in connection with the events in Afghanistan and in September 1980 when the Iraq-Iran conflict began; the number of U.S. warships also increased in April 1980 when preparations were made for the diversionary military action against Iran and half a year prior to this when the American Embassy in Tehran was seized and the "hostages" were taken. Throughout 1981 the Reagan Administration did not lower the high level of U.S. naval presence in the Indian Ocean, keeping it at almost "peak" level. The slightly lower number of American ships here in October 1981, when a task force was transferred to the Mediterranean after Sadat had been assassinated in Egypt, was back up to 30 by the end of the year.

The largest Pentagon maneuvers ever conducted by the United States in Southwest Asia were concluded in November-December 1981 in Egypt, Oman, Sudan and Somalia. American troops from the "rapid deployment force" took part in these maneuvers,

code-named "Bright Star." The newest American F-16 bombers and AWACS-equipped aircraft were used in the maneuvers for the first time. Six strategic B-52 bombers, flying non-stop from the United States, bombed targets close to Cairo.

The leading Western countries and their allies conducted nine large-scale military training exercises and maneuvers involving air and naval forces in the Indian Ocean basin in 1981, and U.S. armed forces took part in seven of them.

Washington's widely publicized list of planned defense cuts, including some affecting the "rapid deployment force," which was submitted to the White House by Secretary of Defense C. Weinberger, essentially does not envisage any reduction in combat strength or the number of personnel (the recommendations include virtually no real reduction in the present size of the U.S. Armed Forces, the number of "rapid deployment force" brigades has been restored to the originally planned nine, and reserve ammunition for "rapid deployment force" ground troops will stay at the 60-day level envisaged by the Carter Administration).

Washington is quite interested in the "Sinai spring-board"--in the deployment of "multinational armed forces" in the Sinai, planned for 1982. American airborne and ground troops will make up the backbone of these forces. They will represent the first large American military contingent in the Middle East. The American military command will also be responsible for the general supervision of these forces. According to NEWSWEEK magazine, the Reagan Administration has already created a special united U.S. command for the Indian Ocean.¹⁷

In short, when the monopolies need someone else's oil, uranium, nonferrous metals or other raw materials, when they are kept from robbing other nations by revolutionary reforms in the liberated countries and by the desire of these countries for real independence, imperialism's ideologists and strategists immediately find "grounds" for their policy and declare the Middle East, Africa and the Indian Ocean a "sphere of U.S. vital interests," the accountability report of the CPSU Central Committee to the 26th party congress states. "The U.S. military machine is energetically pushing its way into this region and plans to stay there a long time. The island of Diego Garcia in the Indian Ocean, Oman, Kenya, Somalia, Egypt--what next?"¹⁸

The mass-scale U.S. military preparations in the Indian Ocean are being accompanied by a vigorous attempt to undermine the proposal of the Indian Ocean and non-aligned states that the Indian Ocean be turned into a "zone of peace." This proposal has been discussed within the UN framework for the last 10 years.¹⁹ The U.S. view on the matter was most clearly expressed during the preparations for a representative international conference on the Indian Ocean, which was supposed to work out an international agreement on its transformation into a "zone of peace." The United States and its closest NATO allies tried for a long time to keep several of the socialist countries, which use the waters of the Indian Ocean extensively and actively support the proposal that it be turned into a "zone of peace," from being included in the special UN committee on the Indian Ocean.

The present American administration has raised particularly flagrant and tactless objections to this conference. When questions connected with the preparations for the conference to work out an international agreement on the transformation of the

Indian Ocean into a "zone of peace" were discussed by the special UN committee on the Indian Ocean in 1980 and 1981, the United States argued that the presence of a limited Soviet military contingent in Afghanistan, which is known to have entered that country at the request of the Afghan Government, would make it impossible to hold the conference. Furthermore, the U.S. representative was not satisfied with this artificial pretext and also made the absurd statement that the conference would be impeded by the presence of Soviet armed forces in Soviet (!) Central Asia. At three sessions of the special committee in 1981, after Ronald Reagan had taken office, the representative of the United States not only announced the categorical U.S. refusal to support the proposal that the conference be held in 1981, but actually moved that the preparations be stopped altogether. At the July session of the committee, the United States and its allies used obstructionist methods to prevent any specific decisions from being made in regard to the conference.

At the session in August 1981, when the draft resolution of the 36th Session of the UN General Assembly on the declaration of the Indian Ocean a "zone of peace" was being discussed, the American representative took an even more rigid stand, backed up by the FRG and Australia, and entered into a direct confrontation with the non-aligned countries. The United States refused to support any resolutions envisaging the organization of a representative conference within the near future to draft an international agreement on the transformation of the Indian Ocean basin into a "zone of peace." The U.S. delegation in the United Nations has insisted on the revision of the concept of the "zone of peace" in the Indian Ocean, as reflected in documents of the United Nations and the movement for non-alignment.²⁰

Now that a struggle has been launched for the implementation of the proposal regarding the transformation of the Indian Ocean into a "zone of peace," the U.S. attitude can only be interpreted as a desire to consolidate the U.S. military presence in the Indian Ocean basin and impede the conclusion of an international agreement on this matter.

The deployment of American carrier attack forces and nuclear submarines, the creation of a diversified network of military bases and the plans to use the "rapid deployment force" against the Indian Ocean states are also completely inconsistent with the idea of turning the Indian Ocean into a "zone of peace."

It is clear that the United States is openly planning military and political expansion in this region, the creation of a material and technical base here for the purpose of organizing armed intervention in the internal affairs of the Indian Ocean states, the achievement of superiority in weapons and military equipment, the intensification of military maneuvers and training exercises and the transformation of the Indian Ocean zone into a connecting link for the United States' own global aggressive preparations, which would make this a third center of military strength, along with Western Europe and the Far East, covered by the American "nuclear umbrella."

These U.S. actions are nullifying the efforts of the Indian Ocean states to safeguard their own security. Besides this, the expanded and unprovoked military presence of the United States in the Indian Ocean basin is forcing countries in the region to increase their military expenditures, which have already reached 40 billion dollars a year, and thereby lose huge sums needed for the resolution of urgent socioeconomic problems.

The escalation of U.S. military activity in the Indian Ocean and Persian Gulf zone is inhibiting the development of a trend which became apparent in the region in the 1970's, a trend toward better international relations as a result of the collapse of colonial empires, the disintegration of military and political blocs and the relatively low level of foreign military presence. Washington's policy is directed against the liberated states in the region and could limit the sovereignty and independence they have won as a result of a long national liberation struggle.

"The imperialists do not want the liberated countries to consolidate their independence," the accountability report of the CPSU Central Committee to the 26th party congress says. "By thousands of ways and means they are trying to attach these countries to themselves so that they can dispose of their natural wealth more freely and use their territory in their own strategic intrigues. The traditional 'divide and conquer' method of the colonizers is being widely used in this process."²¹

Is it at all plausible that the United States is striving to ensure the safety of oil shipments from the Persian Gulf zone if it refuses to conclude the appropriate international agreement and lower the dangerous level of military presence in the Indian Ocean? As speakers noted at the 26th CPSU Congress, "it would be absurd to think that Western oil interests could be 'protected' by turning this region into a powder-keg."²²

And who is threatening the American oil tankers in the Indian Ocean? Could this be of any interest to countries which make extensive use of the waters of this ocean themselves?

On the other hand, the American nuclear submarines patrolling the waters of the Indian Ocean (located almost 11,000 kilometers from U.S. territory) constitute a direct threat to the states located in this basin.

Washington has not been satisfied with its attempts to gain military and strategic superiority in the Indian Ocean basin through its own efforts and the efforts of pro-American regimes and is now enlisting the help of its NATO allies for the "collective reinforcement of military strength" in the region. This is one of the aims of the recent plans to extend NATO's zone of action.²³

The armed forces of Great Britain and France are in the Indian Ocean along with the U.S. Navy. West German ships have also been sent here. All of this testifies that the attempts of the United States and other Western countries to escalate international tension and achieve military superiority to the USSR, as well as the regional escalation of their military activity in the Indian Ocean and Persian Gulf zone, are links of a common chain.

Many states in the region, primarily India, Madagascar, Afghanistan, Ethiopia, Tanzania and Southern Yemen, believe that the tension in the Indian Ocean basin must be eliminated as quickly as possible.

The attainment of this goal would also be promoted by the resumption of the Soviet-American talks on the limitation of military activity in the Indian Ocean. But the United States has stubbornly refused to return to the negotiating table to resume

the talks of 1977 and 1978. Apparently, the conclusion of an agreement on this matter, just as the transformation of the Indian Ocean into a "zone of peace," does not fit in at all with Washington's far-reaching militaristic plans and actual behavior in the Indian Ocean.

At the same time, American propaganda has taken every opportunity to distort the facts about Soviet ships in the Indian Ocean and to misinterpret their functions.

The Soviet Union is not concealing the fact that its naval ships visit the Indian Ocean, however, just as it is not concealing the fact that it attaches great significance to the preservation of security and the relaxation of tension in the Indian Ocean basin.

Soviet naval ships pass through the Indian Ocean in transit, traveling between the Atlantic and the shores of the Soviet Far East. This route is the only one that can be used year-round to connect the European half of the USSR with its Asian half. The Soviet Union has considerable trade, economic, political and scientific interests in the Indian Ocean zone. Soviet ships take part in training cruises in the Indian Ocean and make friendly visits to littoral states. Furthermore, in contrast to the United States, the Soviet Union does not have any military bases, does not organize shows of military strength and aggressive military maneuvers, is not developing strategic weapons and will not deploy nuclear weapons in the Indian Ocean. In fact, in 1981 it reduced the number of its naval ships performing patrol functions in the Indian Ocean, although this number was already incomparably lower than the number of American naval ships in the region, not to mention the total number of U.S., British and French ships here.²⁴ It is also worth noting that "military access" to Soviet territory is much closer from the Indian Ocean, given the present systems of U.S. weapons, than from other parts of the world. The ballistic missiles on American submarines are capable of destroying much of our state, and land- and carrier-based bomber aviation could devastate the southern regions of the USSR.

It is clear that the CPSU and Soviet State, concerned about the security of the USSR and its allies, must be concerned about the escalation of the military preparations of the United States and its closest NATO partners in the Indian Ocean zone and must draw the proper conclusions from this.²⁵

FOOTNOTES

1. U.S. NEWS AND WORLD REPORT, 29 January 1980/5 January 1981, p 31.
2. TIME, 16 March 1981, p 20.
3. V. V. Zhurkin, "The Republican Administration's Military and Political Strategy," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 11, 1981--Editor's note.
4. PHILADELPHIA INQUIRER, 15 March 1981.
5. NEWSWEEK, 23 March 1981, p 20.
6. CONGRESSIONAL RECORD, 20 May 1981, pp H2369, 2371-2376.

7. U.S. NEWS AND WORLD REPORT, 10 August 1981.
8. Ibid., 29 December 1980/5 January 1981, p 30; TIMES OF INDIA, 12 March 1981; SEA POWER, March 1981, p 21.
9. MILITARY REVIEW, November 1980, p 68.
10. NEWSWEEK, 23 March 1981, p 20.
11. THE WASHINGTON POST, 30 April 1981.
12. U.S. NAVAL INSTITUTE PROCEEDINGS, February 1981, p 58; SEA POWER, May 1981, p 33.
13. The first stage of the Suez Canal reconstruction work was completed in December 1980. After the canal had been widened and deepened, vessels of up to 150,000 tons with a full-capacity cargo could pass through the canal. The second stage of this work should allow for the passage of the largest supertankers.
14. NEWSWEEK, 9 February 1981, p 30; SEA POWER, February 1981, p 16; April 1981, p 17.
15. NEWSWEEK, 16 March 1981, p 26.
16. Ibid.; U.S. NAVAL INSTITUTE PROCEEDINGS, January 1981, pp 30-31.
17. NEWSWEEK, 8 June 1981, p 15.
18. "Materialy XXVI s"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, 1981, p 21.
19. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 2, 1981, pp 107-115--Editor's note.
20. The basic principles of the concept of the "zone of peace" in the Indian Ocean are the following: the liquidation of foreign bases and installations in the region, the curtailment of the arms race, the creation of a zone free of nuclear weapons and weapons of mass destruction, the curtailment of the escalation and expansion of the military presence of the great powers, the creation of a system of general collective security without military alliances, the renunciation of the use of force or threats of force against the sovereignty, territorial integrity and independence of any state in the Indian Ocean basin in violation of the aims and principles of the UN charter, the guarantee of the right of free and unimpeded use of the zone by the ships of all states in accordance with the standards of international law, etc.
21. "Materialy XXVI s"yezda KPSS," p 14.
22. Ibid., p 21.
23. For more detail, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 7, 1981, pp 44-48--Editor's note.

24. SEA POWER, May 1981, p 33; U.S. NAVAL INSTITUTE PROCEEDINGS, July 1981, p 56.

25. See the interview with Fleet Admiral N. I. Smirnov, first deputy commander-in-chief of the USSR Naval Forces, in LITERATURNAYA GAZETA, 22 July 1981.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

AMERICAN DESTINY AS SEEN BY NOVELISTS OF THE 1970'S

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 57-68

[Article by A. S. Mulyarchik]

[Not translated by JPRS]

A. A. TROYANOVSKIY, THE FIRST SOVIET AMBASSADOR TO THE UNITED STATES OF AMERICA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 69-79

[Article by Ye. I. Krutitskaya and L. S. Mitrofanova: "A. A. Troyanovskiy--First Soviet Ambassador to the United States (On the Centennial of His Birth)"]

[Not translated by JPRS]

CSO: 1803/8

WESTERN EUROPE OPPOSES U.S. PLANS TO DEPLOY NEW MISSILES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 80-83

[Article by S. A. Ulin]

[Text] When U.S. Secretary of Defense C. Weinberger returned to Washington after an 11-day tour of Western Europe, he said on 26 October 1981: "We have underestimated the strength of the antiwar movement." He thereby acknowledged a serious miscalculation in the present administration's policy of flagrantly pressuring the Western European countries for their further militarization by means of the deployment of 572 medium-range missiles in the NATO countries, to be followed by neutron weapons.

Washington's arrogance, its condescending attitude toward the mass antimilitaristic movement and its attempts to portray this movement as a result of the influence of "Soviet propaganda" have put the United States in a difficult position. If it continues to ignore the popular demonstrations of unprecedented scales in Brussels, London, Bonn, Rome and other Western European cities, it will take the risk of losing even more prestige, its influence and eventually even its present political position in this region. This prospect naturally worries Washington. It was no coincidence that when President Reagan and Secretary of State Haig met with the leader of the West German opposition, H. Kohl, in October 1981, they discussed the possibility of "curbing" the mass protests against the arms race and the deployment of new types of American nuclear missiles in Western Europe.

Washington has a great deal to think about. Important processes, with seemingly irrevocable results, have taken place in Western Europe in recent months. The opposition to the White House's militaristic line is quickly gaining strength. When we now look back at the initial stages of the unprecedented public opposition to Washington's military policy, we can see that the leaders and pioneers of the movement were the small Western European countries, the Netherlands and Belgium, on whose territory NATO and the Pentagon plan to deploy 48 cruise missiles each. In the Netherlands the issue of American medium-range missiles was one of the main items on the agenda of virtually all political parties, including the government coalition of the Christian Democratic Appeal and the People's Party, at the time of the parliamentary elections in May 1981. In May the largest party in the country, the Labor Party, headed by former prime minister J. den Uyl, resolutely opposed NATO's plans at its congress. Only the resistance of the party right wing kept the demand that all nuclear weapons be removed from the Netherlands without delay from

being included in the congress documents. The leftist parties represented in parliament, however, openly objected to the NATO program.

It is important to underscore the mass character of the Dutch antiwar movement. Approximately 60 percent of the people in Holland believe that their government should unilaterally renounce nuclear weapons and set an example for its neighbors. The country's influential Reformist Church has also joined the opposition to American nuclear weapons in the Netherlands. It is actively fighting not only for the refusal to accept new missiles, but also for the removal of all existing nuclear weapons from Dutch territory.

An active bloc of opponents of the new American weapons has taken shape in the FRG-Netherlands-Belgium "triangle." The provocative policy of the new U.S. administration, which could plunge the world into a nuclear conflict, has also encountered growing opposition in Denmark and Norway, the Scandinavian NATO countries. Opposition forces in these five countries have made references to the official positions of Denmark and Norway, which prohibit the deployment of nuclear weapons on their territory. For example, the Dutch socialists have tried to enlist the support of the Norwegian Labor Party and the Danish Social Democrats in the struggle against the deployment of new missiles in Holland.

England's Labor Party, which heads the antimissile and antinuclear mass movement in that country, has objected to NATO's nuclear "rearmament." The resolution of this party's annual congress included the demand that American nuclear weapons be removed from English territory. Grand-scale peace marches by women and youth were held in many Western European countries in summer 1981. Large demonstrations against the deployment of American missiles were organized in a number of Italian and French cities. Influential political forces in Portugal have joined the struggle against the deployment of the new nuclear weapons in Western Europe.

Leftist groups in the country are seriously disturbed by the heightened U.S. interest in Portuguese bases and the possibility that the offer of new bases to the United States will bring American aircraft carriers with nuclear weapons on board into Portuguese ports and will involve Portugal even more in NATO's nuclear strategy. The campaign against the deployment of nuclear weapons in Portugal has been supported by several high-placed individuals, including military leaders, such as General F. da Costa Gomes, former president of Portugal, and Colonel Ernesto de Melo Antunes, member of the Revolutionary Council (the most important government organ) and former minister of foreign affairs. When the latter spoke at a meeting of the Alliance for Socialist Democracy, he said that the United States' attempts to win its NATO partners' consent to the deployment of Pershing-2 missiles and cruise missiles would turn the entire European continent into a colossal nuclear front if they should be successful.

The center of the opposition to Washington's new dangerous plans is the FRG, where the struggle against the American missiles has united more than 40 parties, organizations and associations. They include the mass youth organizations of the ruling Social Democratic and Free Democratic parties, the German Communist Party, the Young German Socialist Workers, the Spartacus Marxist Student Union, associations of democratic jurists and former victims of Nazi persecution, the Friends of Nature and other organizations of conservationists, etc. When the NATO

nuclear planning group met in Bonn, more than 30 mass organizations attended a protest rally against the American missiles. This is probably the first time that this kind of broad and representative spectrum of political forces opposing the nuclear arms race has taken shape in the FRG. This movement of the early 1980's is upholding the traditions of those who protested the atomic arming of the FRG in the 1960's and advocated the ratification of the "Eastern treaties" at the beginning of the 1970's, but it also has certain distinctive features, such as its militant nature and the determination of its participants. The slogans of this movement are eloquent: "Stop nuclear death!" and "We demand a constructive reply to Soviet initiatives!"

The "Krefeld petition," which was adopted at a forum of the peace-loving West German public in Krefeld in November 1980, has become the present movement's rallying point. "Atomic Death Threatens Us All!"--this was the title of the petition which was signed by almost 1.5 million people within a year. Prominent politicians and public spokesmen have joined the movement against the deployment of the new American nuclear missiles. Physicist K. Bechert, former Bundestag deputy from the SPD and chairman of the parliamentary committee on nuclear energy, wrote a special announcement: "If NATO carries out its decision, it will sentence us to death. This is why struggle is necessary. We cannot accept this decision!" Another convincing announcement was made by theology Professor W. Krek, a prominent West German public spokesman: "In accordance with official statements from Bonn, the so-called nuclear missile 'rearming' will serve our security interests. We believe, however, that the territory of the FRG will thereby be put in the most serious danger, particularly in view of the American theory of 'limited nuclear war.'"

The U.S. Republican administration is being accused more and more of unprincipled behavior and of interference in the domestic affairs of other countries. The arrogant statements by Washington spokesmen that "weak governments prevail" in Western Europe and that pacifists are "spreading lies and deception" are arousing widespread indignation. Some countries responded with measures to convince Washington officials of the strength of the antiwar opposition. During this campaign, American journalists covering NATO military affairs were offered interviews with defense ministers and other top government officials in the FRG, England, Belgium and Holland. The conclusion drawn from the "fact-finding" talks, interviews and meetings was a disappointing one for Washington: The Western European parliaments were not prepared to increase their military expenditures, particularly during a time of economic recession throughout the West.

Public opinion polls indicated that most of the Western Europeans were strongly in favor of detente. For example, a poll conducted by a French public opinion research institute indicated that 67 percent of the population of the FRG and 52 percent of the French population were in favor of better relations with the USSR (43 percent in the United States). According to NEWSWEEK magazine, "most of the (Western) Europeans are in favor of arms limitation talks and politicians everywhere on the continent have seconded L. I. Brezhnev's recent motion for a moratorium on the deployment of the 'Euromissiles.'"

Washington's decision on the full-scale production of neutron weapons evoked a particularly strong wave of indignation in Western Europe. Three years after the

same type of campaign in 1978, Western Europe responded to this decision with mass protests.

The sharp contrast between the constructive Soviet position, set forth at the 26th CPSU Congress and in numerous statements by L. I. Brezhnev in recent months, particularly his new and far-reaching proposals, made during his trip to the FRG in November 1981 and aimed at a mutually acceptable agreement and the protection of Europe against the danger of nuclear conflagration, on one side, and the unconcealed aggressive militarism of the U.S. Republican administration on the other, has been recognized throughout Europe. Thousands and millions of European citizens have realized or are just now realizing the origin of the real threat to Europe. Two lines were clearly delineated in Europe in 1981: the peaceful constructive line of the USSR and Washington's line of escalating international tension. There is no doubt that this was an important time for the European public to recognize existing realities and choose the proper position.

This protest movement has also opened the eyes of many Americans, including some members of the administration (this is attested to in particular by Weinberger's statement cited above). But the American President has persisted in his distorted view of Europe. When he addressed the reporters and editors of small-town newspapers on 16 October, he said that the demonstrations in Western Europe were "not serious" and were the result of "propaganda which clearly comes from the Soviet Union." Furthermore, Reagan announced that these demonstrations were of no importance because none of the European governments had objected to the deployment of these weapons.

"But events quickly refuted the American President's statement," American correspondent D. Browder remarked in an article printed in the INTERNATIONAL HERALD TRIBUNE on 29 October. "Within 2 days...the new Greek government demanded the removal of nuclear weapons without delay and the gradual withdrawal of Greece from the NATO military organization. A few days later the defense ministers of the NATO countries advocated, in spite of U.S. objections, a positive response to the Soviet proposal of a moratorium, and a week later mass demonstrations in London and Rome proved that the earlier warnings from Brussels and Bonn were serious." The author concluded, "the President is dangerously mistaken if he believes that the protest in NATO against U.S. nuclear policy is nothing more than communist propaganda."

Therefore, the events of last year were quite indicative. As L. I. Brezhnev said when he was interviewed by the editors of West Germany's SPIEGEL magazine, the antiwar, antimissile movement that is now gathering strength in a number of NATO countries is the Western European people's response to the dangerous militaristic policy of the leaders of this bloc. The wave of public protest against adventurism clearly corroborates the fact that Europe realizes the value of peace and the danger of the threat of war.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

'JUBILEE' CONGRESS OF AFL-CIO

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 83-87

[Article by M. I. Lapitskiy]

[Not translated by JPRS]

LEGISLATION FOR FOREIGN INVESTMENT IN CANADA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 88-97

[Article by V. I. Alekhin]

[Not translated by JPRS]

FRIENDLY FASCISM: THE NEW FACE OF POWER IN AMERICA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 98-102

[Third installment of digest by V. I. Bogachev of book "Friendly Fascism: The New Face of Power in America" by Bertram Gross, New York, M. Evans and Co., Inc., 1980]

[Not translated by JPRS]

ECOLOGICAL ANALYSIS AND ITS IMPACT ON THE ECONOMY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 103-113

[Article by N. P. Yevdokimova and V. I. Sokolov: "Ecological Analysis and Economic Management Decisions"]

[Not translated by JPRS]

CSO: 1803/8

BOOK REVIEWS

Military Spending and Employment

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 114-116

[Review by V. B. Benevolenskiy and A. I. Deykin of book "Jobs, Security, and Arms in Connecticut. A Study of the Impact of Military Spending on the State" by Marta Daniels, Voluntown (Conn.), American Friends Service Committee, 1980, VIII + 60 pages]

[Not translated by JPRS]

Erosion of Middle-Class American Dream

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 116-118

[Review by V. S. Vasil'yev and A. A. Kokoshin of book "After Affluence. Economics to Meet Human Needs" by John Oliver Wilson, San Francisco, Harper and Row Publishers, 1980, X + 244 pages]

[Not translated by JPRS]

Factors Affecting Foreign Policy Decisions

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 118-121

[Review by N. M. Travkina of book "Evolving Strategic Realities: Implications for U.S. Policymakers" edited by F. Margiotta, Washington, The National Defense University Press, 1980, XI + 222 pages]

[Not translated by JPRS]

American Capitalism and Technology Transfers

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 121-122

[Review by A. B. Parkanskiy of book "Amerikanskiy kapitalizm i peredacha tekhnologii (mezhdunarodno-ekonomicheskiye aspekty)" by I. Ye. Artem'yev, Moscow, Nauka, 1980, 190 pages]

[Text] The author reveals the main aspects of the policy of private U.S. corporations, primarily multinationals, in the area of overseas technology transfers. He describes the role of the government in this process and the effects it has on the American economy. He discusses the major ways in which American technology transfers influence the technological development of the leading capitalist states.

The United States is the main capitalist supplier of technology because it is technologically superior to its imperialist partners and rivals. The author quite cogently demonstrates that one of the current symptoms of the law of uneven economic and political development in the capitalist states is the fact that, although the economic developmental levels of the United States, Western Europe and Japan are converging, there is still a gap between them in the area of technological development (p 34).

The United States has prevailed in the technological competition between the developed capitalist countries essentially on the strength of the leadership of major American corporations, which actively use various forms of expansion based on overseas technology transfers in the competition for foreign markets. The U.S. multinationals control most of the international transfers of American technology. They account for up to 90 percent of all U.S. revenues from technology sent abroad (p 47).

The author has been able to cogently prove that the main feature of the technology export policy of the U.S. multinationals is the consistency of their attempts to transmit the latest technological, organizational and administrative achievements to their branches and affiliates through intraorganizational channels while transmitting obsolete technology to independent foreign firms in accordance with licenses and other international commercial agreements which guarantee their technological dependence on U.S. corporations (p 92).

The author logically exposes the policy of state control over exports of technology to the socialist countries, aimed at discrimination against these countries in international technological relations, and cogently proves the futility of the attempts, which have grown increasingly frequent in recent years, of U.S. ruling circles to use technological contacts as a means of interfering in the domestic affairs of the USSR and other socialist states (p 187).

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

Ecology and the Capitalist City

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 p 122

[Review by V. I. Sokolov of book "Ekologiya i kapitalisticheskiy gorod" by A. K. Bystrova, Moscow, Nauka, 1980, 174 pages]

[Text] In this discussion of the latest developments in the capitalist system, resulting from the urban ecological crisis, the author directs the reader's attention to the socioterritorial division of the U.S. population according to the ecological conditions of habitation. It is quite indicative that environmental pollution levels are two or three times as high in poor neighborhoods as in locations inhabited by well-to-do Americans (p 42). This means that ecological conditions in the cities are becoming another important factor in the continuous polarization of American society.

Some particularly interesting sections of this book describe the engineering and implementation of the state-monopoly policy of solving ecological problems by controlling environment-related aspects of the urbanization process (the distribution of industrial production and public service units, the limitation of the growth of metropolises, the establishment of new cities, the passage of urban zoning laws, etc.).

It is indicative that expenditures on environmental protection now rank third among the expenditure items of U.S. municipal governments (p 77).

The author's analysis of such topics as the ecological impact, potential, limits and contradictions of state-monopoly urban environment quality control indicates that although the bourgeois state is intervening in matters pertaining to urban environmental protection, the social causes of the negative ecological effects of capitalist urbanization still exist.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

ARTHUR A. HARTMAN--NEW U.S. AMBASSADOR TO THE SOVIET UNION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 123-124

[Not translated by JPRS]

CSO: 1803/8

CHRONICLE OF SOVIET-AMERICAN RELATIONS (SEPTEMBER-NOVEMBER 1981)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 1, Jan 82 pp 125-127

[Text] September

2-4 -- Prominent American politicians, Senators A. Cranston and C. Mathias, came to the Soviet Union at the invitation of the USSR Parliamentary Group. The senators met and spoke with USSR Minister of Foreign Affairs A. A. Gromyko, member of the CPSU Central Committee Politburo, with Marshal of the Soviet Union N. V. Ogarkov, chief of the General Staff of the Armed Forces and first deputy minister of defense, and with members of foreign affairs commissions in the houses of the USSR Supreme Soviet.

3 -- Members of the Zionist bandit Jewish Defense League committed another terrorist act, placing two fire bombs under the cars of Soviet diplomats employed by the Permanent USSR Mission to the United Nations. The bombs were discovered and defused before they went off.

4 -- CPSU Central Committee Secretary M. S. Gorbachev, member of the CPSU Central Committee Politburo, received J. Crystal, prominent American agricultural expert and public spokesman. They discussed the importance of improving Soviet-American relations for the sake of peace and mutually beneficial cooperation.

The tourism committee of the American-Soviet Trade and Economic Council met in New York for its sixth regular session. During the session the two sides expressed their regrets about the low level of reciprocal tourist exchanges between the USSR and United States and agreed to take steps to develop tourism.

A group of American scholars, headed by University of California Professor R. Scalapino, arrived in the USSR to attend the fourth Soviet-American symposium on current Asian events. They spoke with M. S. Solomentsev, chairman of the RSFSR Council of Ministers and member of the CPSU Central Committee Politburo.

7 -- At a luncheon honoring Secretary General Le Duan of the Central Committee of the Vietnam Communist Party, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev said: "The Soviet Union is always advocating the refusal to develop new, even more lethal types of weapons. But I must say quite frankly that we will not stand by and watch these weapons appear in the arsenals of the United States and other NATO members. If

this should happen, the Soviet Armed Forces will possess the necessary counter-balance to these weapons."

16 -- According to the CHRISTIAN SCIENCE MONITOR, 60 percent of the American scholars who attended a congress of the American Political Science Association believe that the U.S.-Soviet dialogue on arms limitation should be resumed without delay.

18 -- Addressing the Senate Foreign Relations Committee, Secretary of State A. Haig tried to justify the program of intensive U.S. militaristic preparations in the Middle East by alleging that the "oilfields in the Persian Gulf, which are so important to the United States and our European and Japanese allies" are supposedly being "threatened by the Soviet Union."

22 -- A. A. Gromyko spoke at a plenary meeting of the 36th Session of the UN General Assembly. In his speech he said that the policy line of militaristic circles in the imperialist states has been reflected in the following actions: "the continuous escalation of the arms race; overt attempts to achieve military superiority to the Soviet Union; the creation of a broad network of military bases and the deployment of American troops on foreign territory; the subversion of the bases of Soviet-American relations, established earlier as a result of tremendous effort; the exertion of pressure on other states, particularly in Europe, to curtail their political, trade and economic contacts with the socialist countries." "The Soviet Union," A. A. Gromyko stressed, "is in favor of dialogue on all aspects of the problem of curbing the arms race and on all debatable international issues, it is in favor of bilateral and multilateral dialogue."

23, 28 -- Soviet Foreign Minister A. A. Gromyko met in New York with U.S. Secretary of State Haig. They discussed key aspects of Soviet-American relations and important international issues. The two sides agreed to begin talks on 30 November 1981 on the limitation of weapons, including the nuclear weapons which were discussed earlier by Soviet and U.S. representatives in Geneva. The Soviet side will be represented by a delegation headed by Ambassador Yu. A. Kvitsinskiy, and the American delegation will be headed by Ambassador P. Nitze.

23 -- the Sixth Annual Soviet-American Oncologists' Convention ended in Washington. The two sides signed a protocol on the expansion and improvement of cooperation in the field of oncology.

October

2 -- Speaking in the White House, President Reagan announced a new program for the further augmentation of the American strategic nuclear arsenal.

6 -- Soviet Minister of Foreign Trade N. S. Patolichev received and spoke with PepsiCo Chairman of the Board D. Kendall, prominent representative of the U.S. business community.

12 -- The "Statement of the Government of the USSR to the Government of the United States of America," condemning U.S. attempts to interfere in the domestic affairs of the Arab Republic of Egypt, was printed in PRAVDA.

14 -- A regular session of the Soviet-American permanent consultative commission began in Geneva. The commission was founded in 1972 to aid in implementing the goals and provisions of the Soviet-U.S. ABM limitation treaty, the provisional Soviet-U.S. agreement on some measures in the limitation of strategic offensive weapons and the agreement (of 30 September 1971) on measures to reduce the danger of nuclear war.

15 -- the Fourth All-Union Conference of the USSR-U.S. Society was held in Moscow to discuss the results of the society's activities during the last 5 years and to plan future activities to improve mutual understanding between the populations of the two countries. The society board was elected, and it will be headed once again by Academician N. N. Blokhin.

16 -- Speaking with American small-town newspaper editors, Ronald Reagan said that it was possible that Europe "might be the scene of an exchange of strikes involving the use of tactical weapons against military contingents on the battlefield without any one of the great powers pushing the button."

21 -- In response to the question of a PRAVDA correspondent, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev reaffirmed the USSR's willingness to do everything within its power to prevent nuclear war and eliminate the very threat of war. "It would be good if the American President could also make a clear and unequivocal statement denouncing the very idea of nuclear attack as a criminal act," said L. I. Brezhnev.

Soviet Minister of Foreign Affairs A. A. Gromyko received Arthur A. Hartman, the new U.S. ambassador extraordinary and plenipotentiary to the Soviet Union.

22 -- First Deputy Chairman I. V. Arkhipov of the USSR Council of Ministers received a group of administrators from several U.S. corporations in the Kremlin. These representatives of leading corporations in industry, power engineering, transportation and the news publishing sector were in Moscow on an unofficial visit. Certain aspects of Soviet-American relations and some current international events were discussed during the talk.

26 -- A. Hartman, U.S. ambassador to the USSR, presented his credentials to V. V. Kuznetsov, candidate for membership in the CPSU Central Committee Politburo and first deputy chairman of the USSR Supreme Soviet Presidium.

27 -- Speaking at a luncheon in honor of President 'Ali 'Abdallah Salih of the Yemen Arab Republic, L. I. Brezhnev proposed that the number of participants in the international conference on the Middle East be supplemented with representatives of the states of Western Europe, North Africa and South Asia.

November

3 -- L. I. Brezhnev's responses to the questions of the editors of West Germany's SPIEGEL magazine were printed in PRAVDA. The replies cogently proved that all of the talk about the Soviet Union's desire for military superiority has no basis. L. I. Brezhnev reaffirmed and amplified the Soviet proposals aimed at the preservation of peace and the avoidance of nuclear catastrophe.

14 -- A new terrorist act was committed against Soviet diplomats in New York: Shots were fired at the building of the Soviet Permanent Mission to the United Nations in the New York suburb of Glen Cove.

17-19 -- The 13th Dartmouth Conference of Soviet and U.S. public spokesmen was held in Moscow to discuss current developments in Soviet-American relations.

18 -- A. A. Gromyko received U.S. Ambassador Hartman at his request. They discussed some aspects of Soviet-American relations and international issues.

Ronald Reagan addressed the National Press Club in Washington, setting forth the U.S. position in regard to talks with the USSR on nuclear weapons in Europe, further talks on strategic arms limitation and a number of other issues.

19 -- The session of the Soviet-American permanent consultative commission, set up to aid in the implementation of the goals and provisions of the ABM treaty, the provisional agreement on some measures to limit strategic offensive weapons of 26 May 1972 and the Soviet-American agreement on measures to reduce the danger of nuclear war, concluded by the two countries on 30 September 1971, came to an end in Geneva.

20 -- The Soviet-American talks on the drafting of a new intergovernmental shipping agreement, which began on 16 November, came to an end in London. Certain topics were set aside for further discussion when the talks are continued in Moscow in December 1981.

At the insistence of the U.S. State Department, the U.S. Civil Aeronautics Board prohibited Soviet planes from making their regular flights between Moscow and Washington for a week, from 21 to 28 November. The pretext for this decision was the far-fetched accusation that an Aeroflot plane had "deliberately" deviated from its established route over American territory on 8 November. The Soviet Embassy in the United States protested this arbitrary decision to prohibit flights, which represents the American side's latest violation of the Soviet-U.S. air travel agreement.

21 -- The Soviet Embassy in the United States published a press release containing the text of L. I. Brezhnev's letter of 25 May 1981, sent to the U.S. President in response to the latter's letter of 24 April 1981, in connection with the American side's publication of this letter.

23 -- During his visit to the FRG, General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev made new proposals aimed at the eventual total elimination of nuclear weapons, medium-range and tactical, from Europe.

30 -- Soviet and U.S. delegations began talks on the limitation of nuclear weapons in Europe according to the terms of their agreement in Geneva. The heads of the delegations, Ambassadors Yu. A. Kvitsinskiy and P. Nitze, had a meeting.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1982

8588

CSO: 1803/8

- END -

END OF

FICHE

DATE FILMED

April 26, 1982